



CENTURY
PACIFIC
FOOD, INC.

#The Filipino Can

SUSTAINABILITY AND
ANNUAL REPORT 2019





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ANNUAL REPORT 2019

About the Cover

It is inherent in us Filipinos to never give up and keep going. Amidst the crisis our country is facing, we maintain faith and hope in the kindness and resilience of the Filipino. The last few months have also made clearer to us the central role our company plays in helping ensure affordable food products are made available to the nation. In spite of logistical and operational challenges, our team has risen up to the occasion, moving quickly and decisively to meet the unexpected surge in demand. We will continue to take this role and responsibility seriously as we stand firmly alongside the Filipino people in our battle against the virus.

#TheFilipinoCan

About the Report

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This report covers the period from January to December 2019 and has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option, following our 2018 Sustainability and Annual Report published on July 1, 2019.



The report will be distributed primarily in digital format. Please visit www.centurypacific.com.ph to download a copy. Limited printed copies will make use of recycled paper in line with our ongoing sustainability initiatives.

This Sustainability and Annual Report is a product of:



For questions or feedback, please contact CNPF Investor Relations at investorrelations@centurypacific.com.ph.

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Get to Know Us

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Century Pacific Food, Inc. (CNPF) is one of the largest branded food companies in the Philippines. We are primarily engaged in the manufacturing, packaging and canning, marketing, and distribution of processed marine, meat, milk, and coconut products.

From our beginnings in 1978, we now operate five business segments.

Marine

We produce tuna, sardines, and other fish- and seafood-based products through our branded MARINE segment, having launched well-known brands such as Century Tuna, 555, Blue Bay, Fresca, Kamayan, Century Quality, and Lucky 7.

At present, CNPF is the market leader in the local canned tuna market. Century Tuna, our flagship brand, is a champion for health and wellness in the country.

Meat

We produce corned beef, corned chicken, meat loaf, luncheon meat, Vienna sausage, pork and beans, and other meat-based products via our branded MEAT segment. This includes recognized brands, namely Argentina, 555, Swift, Hunt's, Wow! Ulam, Shanghai, and Lucky 7.

The Company likewise currently holds the market-leading position in the local corned beef, emulsified loaves, and ready-to-eat beans markets.

With the launch of Argentina Corned Chicken in 2019, we continue to capitalize on the goodwill of our top brand by expanding to adjacent categories, positioning the product as a healthier alternative to traditional canned meat goods.

Milk

We produce full cream milk, powdered milk drink, evaporated and condensed milk, all-purpose cream, and other dairy products through our branded MILK segment, primarily composed of the Birch Tree and Angel brands.

This segment is emerging as a high-performing third leg for the branded business. By positioning our heritage brand Birch Tree as a strong challenger, we have experienced market share gains in recent years, taking the #2 position in the powdered milk category.

We continue to build the brand and utilize it as a platform to expand and advance in the large, high-growth powdered milk category in the Philippines and its subcategories. In 2019, we launched Birch Tree Fortified Choco—our first flavor extension of Birch Tree Milk Powder, taking advantage of the goodwill and momentum of the brand, and leveraging on the Company's extensive distribution network.

Coconut

We are mainly an OEM (original equipment manufacturer) for coconut products, producing retail-packaged coconut water, organic virgin coconut oil, desiccated coconuts, coconut flour, coconut milk, and coconut cream via our COCONUT segment. There continues to be strong demand for coconut products around the world and, through this segment, we are able to ride the growing global wave of health and wellness.

The Company entered the domestic coconut market in 2019, specifically the coconut cream category with our new Coco Mama brand. Coconut cream is a frequently used culinary ingredient in the Philippine and Southeast Asian cultures. By leveraging our manufacturing, marketing, and distribution know-how for our first branded coconut product, we are addressing the need for convenient but fresh quality coconut cream for cooking.

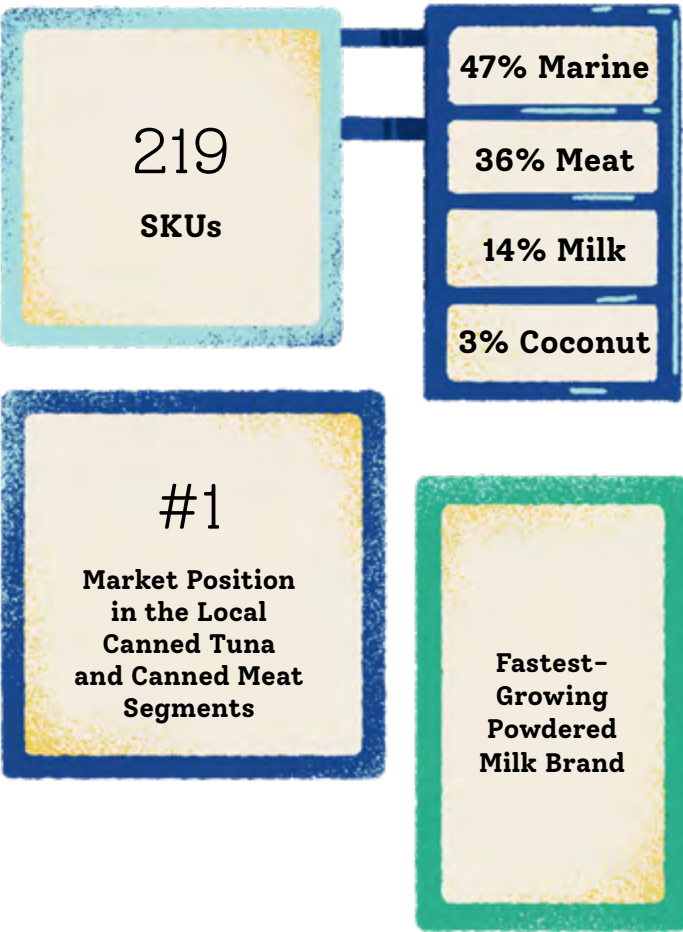
Tuna OEM

We produce private label canned, pouched, and frozen tuna products for export through our TUNA OEM segment—the Company's legacy business established over 40 years ago.

As a preferred partner of large international brands, CNPF is one of the Philippines' leading exporters of tuna OEM. Through this segment, the branded MARINE business is also able to benefit from cost efficiencies brought about by the added scale, as well as quality and sustainability controls on par with international food regulatory standards.

2019 at a Glance

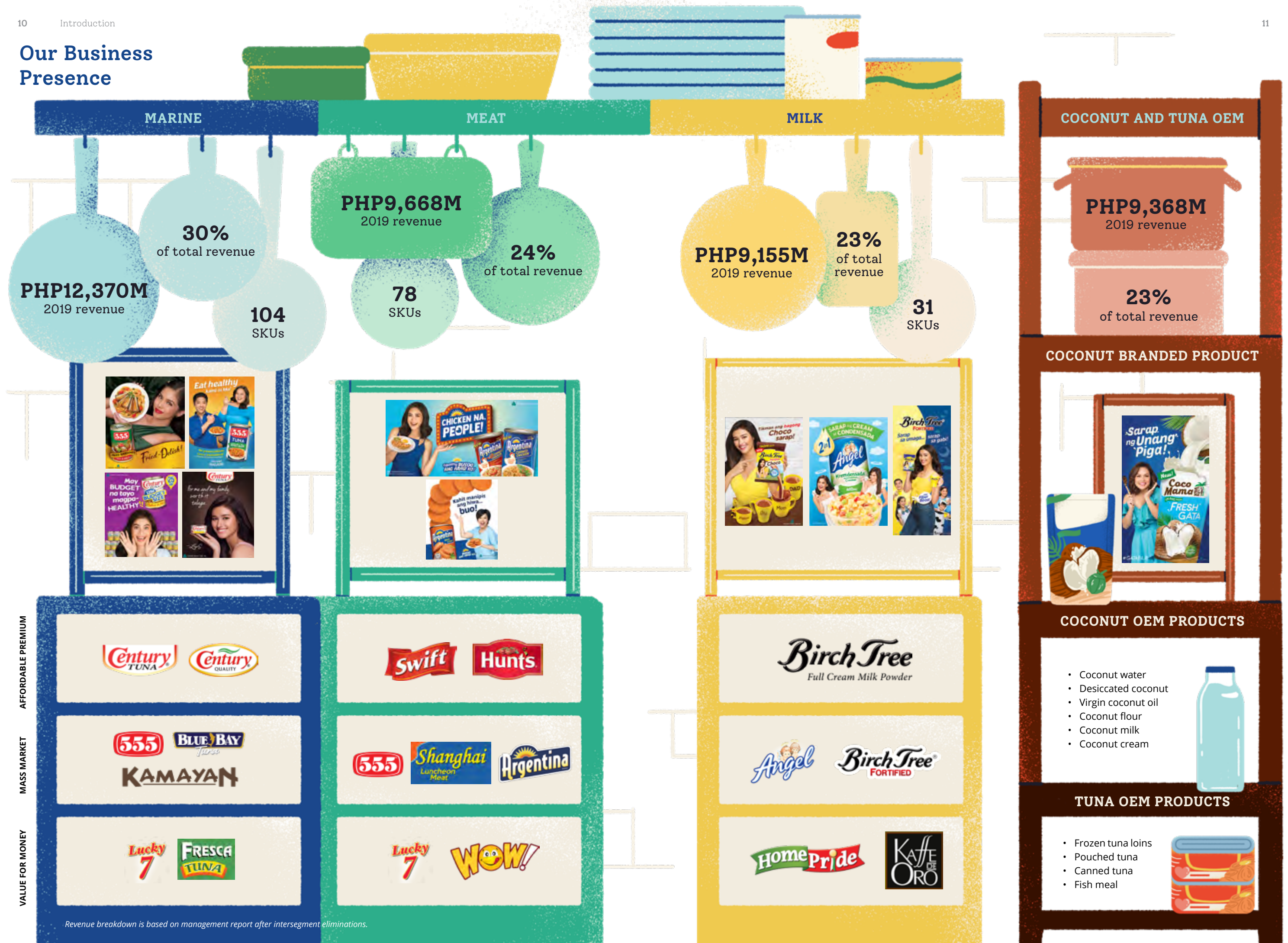
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Each Filipino consumed approximately 11 of CNPF's products in 2019



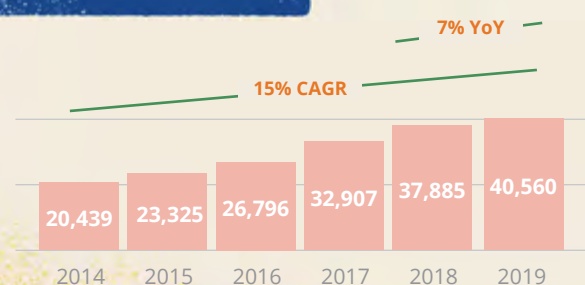
Our Business Presence



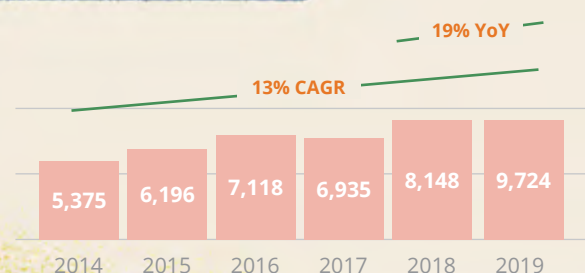
Financial Highlights

P&L HIGHLIGHTS IN PHP MILLION

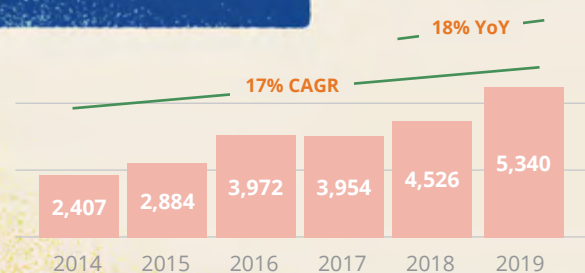
Revenues



Gross Profit



EBITDA



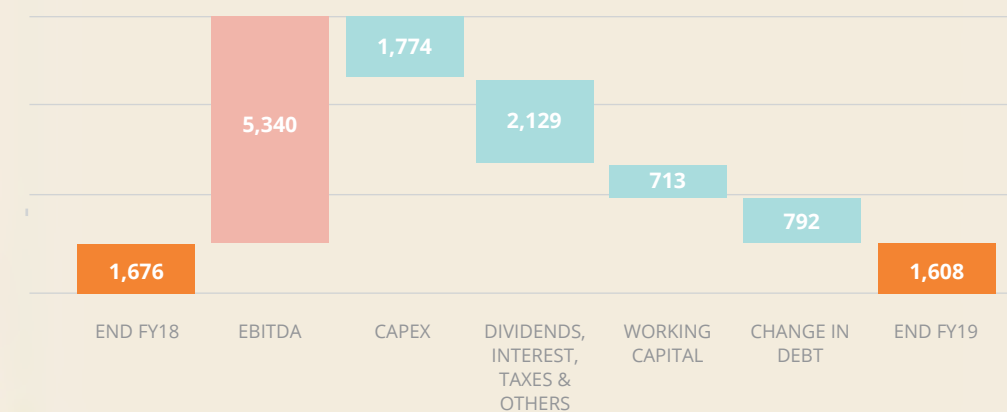
Net Income



*IFRS 15 was applied to figures from 2016 to 2019 only.

2019 CASH POSITION IN PHP MILLION

PHP1,882 MILLION
FREE CASH FLOW



OTHER HIGHLIGHTS

| | 2016 | 2017 | 2018 | 2019 |
|---|------------|------------|------------|------------|
| Return on Equity | 23% | 19% | 18% | 18% |
| Net Gearing Ratio | 0.13x | 0.15x | 0.28x | 0.20x |
| Net Interest-Bearing Debt-to-EBITDA Ratio | 0.41x | 0.55x | 1.02x | 0.73x |
| Total Assets | PHP19,842M | PHP23,359M | PHP30,337M | PHP32,589M |

Measuring Our Financial Performance

CNPF’s financial performance remains a top priority, with the following top 5 key financial performance indicators.

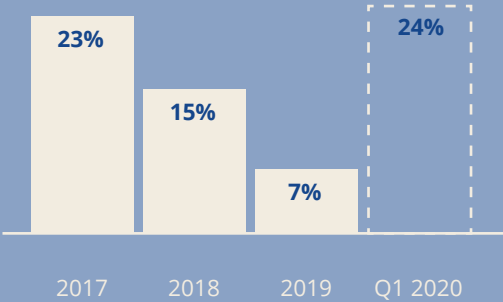
Revenue Growth

Total net sales this year, as reported in the financial statements, compared to the net sales of the previous year, as reported in the financial statements, for all business units, expressed as a percentage.

FY 2019 Performance
Revenues saw a growth of 7% year-on-year to PHP40.6 billion.

This was driven by the 12% increase in our branded business top line, representing 77% of overall sales. Its growth is more than sufficient to cover for the 6% decline in OEM export revenues.

15% 2016 to 2019 CAGR*



Branded Revenue Growth

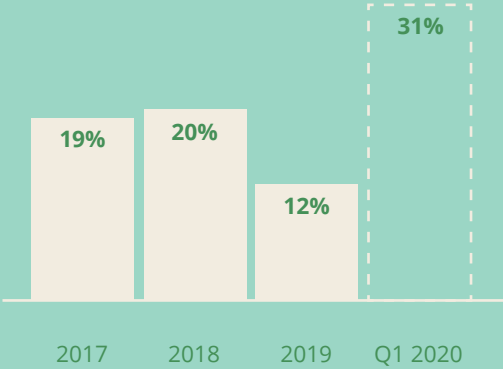
Total net sales this year compared to the net sales of last year for the branded business units (marine, meat, and milk), expressed as a percentage.

FY 2019 Performance
Consolidated top line growth understates the sustained double-digit increase of our branded business which was up by 12%.

All branded units registered positive growth year-on-year, with our milk segment outperforming as we strengthened our position in the powdered milk category.

The increased demand was spurred by our brand-building, marketing, and distribution efforts, as well as the Philippines’ growing need for affordable food products.

16% 2016 to 2019 CAGR*



EBITDA Growth

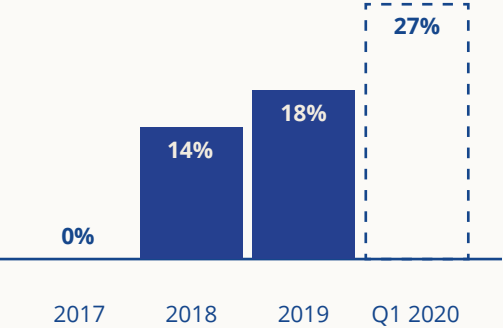
Earnings before interest, taxes, depreciation, and amortization—a proxy for operating profitability—this year compared to that of the previous year, expressed as a percentage.

FY 2019 Performance
EBITDA margin improved by 130 basis points year-on-year to 13.2%, as EBITDA grew by 18%.

Favorable raw material prices boosted overall profitability, with gross margins growing by 250 basis points versus the previous year.

This consequently allowed us to invest more heavily in our brands, including an aggressive pipeline of new product developments and innovations. This drove our operating expenses higher by 13%.

10% 2016 to 2019 CAGR



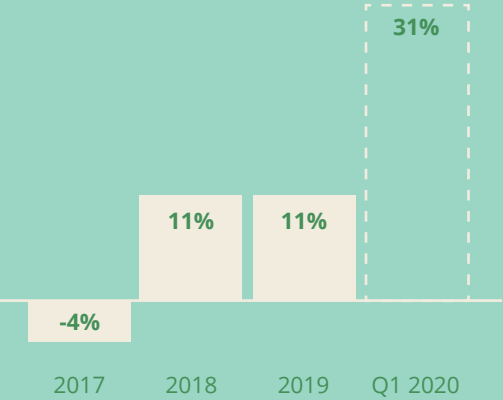
Net Profit Growth

Net earnings after all costs and taxes this year, as reported in the financial statements, compared to net earnings after all costs and taxes of last year, as reported in the financial statements, expressed as a percentage.

FY 2019 Performance
CNPF ended 2019 with net income rising by 11%, achieving its dual target of double-digit earnings increase whilst diversifying its portfolio and investing in future sources of growth.

This was achieved despite higher financing costs and significant investments in new product developments.

6% 2016 to 2019 CAGR

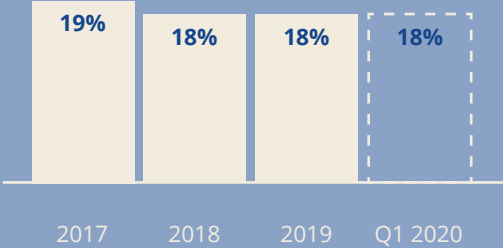


Return on Equity

Net income this year, as reported in the financial statements, divided by the average of shareholders’ equity as of the end of this year and shareholders’ equity as of the end of the previous year, as reported in the financial statements.

FY 2019 Performance
Return on equity has trended lower as we continue to invest in growth. Nonetheless, we continue to maintain an attractive 18% as of end 2019. We expect to sustain this high-teens return ratio moving forward.

18% 2017 to 2019 Average



*For comparability, earliest figures referenced are from 2016 as the application of IFRS 15 only adjusts financial statements from the last four years.

Focus Areas for Business Growth

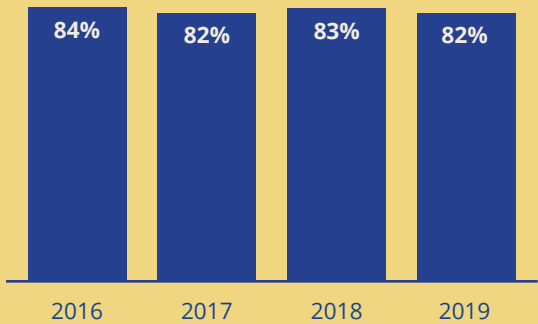
Apart from monitoring financial metrics, the following are other key measures and business areas critical to maintaining and executing our growth strategy.

Canned Tuna Market Share

With our flagship brand Century Tuna championing for health and wellness, the Company continues to be the primary driver of canned tuna consumption in the Philippines.

As we continue to grow and invest in the category, several new entrants have emerged. We are, however, able to maintain a significant lead over our competitors and continue to build a moat around our business.

84% 2014 to 2019 Average



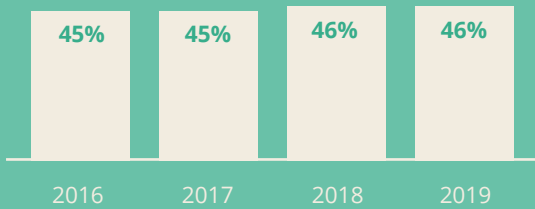
Source: Nielsen



Corned Meat Market Share

When it comes to affordable yet quality meat products, our flagship Argentina brand remains to be the go-to name, sustaining CNPF's market leadership in the corned meat category.

46% 2014 to 2019 Average

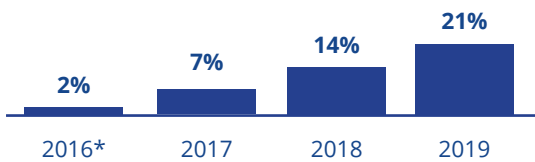


Source: Nielsen

Powdered Milk Market Share

Our milk business has been emerging as a strong third leg to our branded business in recent years. By building and utilizing our heritage Birch Tree brand as a platform for our value-for-money offerings, as well as leveraging our extensive distribution network, we are able to establish and maintain our strong challenger position in the large and high-growth powdered milk category. The momentum of our Birch Tree brand also allowed us to expand to other subcategories of powdered milk as we launched Birch Tree Fortified Choco, a chocolate flavored milk drink, in 2019.

11% 2016 to 2019 Average



*As of January 2016
Source: Nielsen

Innovation

We have been addressing the needs of Filipinos through the years by continuously introducing new products. Our strong focus on R&D-driven innovation, high-quality manufacturing, and intuitive marketing campaigns allows us to turn simple product concepts into reality, with the support and assurance of multiple food experts and tests. 2019, in particular, was tagged our “Year of Innovation” with our significant lineup of major innovations.

We have also been improving the accessibility of our products by leveraging digital channels. On top of traditional sales avenues, our products are now available on online retail platforms through our Century Food Store in Shopee and Lazada. Additionally, we recently launched DEL2HOME in Metro Manila, a home delivery service that brings our products straight to consumers’ doorsteps. These allow us to service them wherever they may be, becoming a potential driver for CNPF’s future growth.

2019 Major Innovations



Argentina Corned Chicken (Meat)
Positioned as a healthier alternative to traditional canned meat products



Birch Tree Fortified Choco (Milk)
First flavor extension of Birch Tree Milk Powder, capitalizing on the goodwill and momentum of the brand



Coco Mama Coconut Cream (Coconut)
Entry into the domestic coconut market, addressing the need for convenient but fresh coconut cream for cooking

Organization

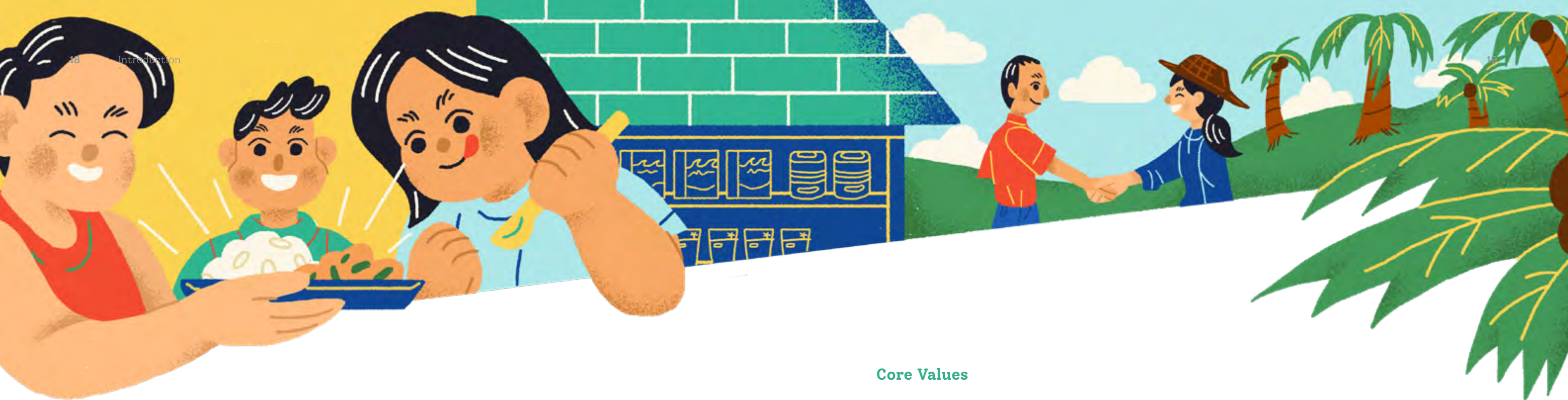
CNPF’s goals are delivered year in and year out by experienced, capable, and success-driven professionals. Human capital is a key asset, and so recruiting, training, and retaining talent, through proper compensation and a healthy work environment, among others, are essential investments. As the Executive and Management teams lead the Company while the rest of the organization works in support of the strategies, CNPF has been able to achieve growth through its current portfolio and new business opportunities. To ensure sustainability and longevity, the Company is embarking on an AGILE journey with a vision to create an organization that leverages multi-disciplinary and highly connected teams, allowing faster reaction time while operating in an environment of constant change. We aim to grow and scale the business with the right balance of centralized control and entrepreneurial empowerment. This will enable the Company to adopt new ways of working, fostering and encouraging creativity, customer centricity, iterative innovation, and continuous self-development.



ESG

We began our ESG journey in 2018 and continue to progress in integrating sustainability across our value chain. The Company is in the process of developing a sustainability strategy now that we have determined our material non-financial metrics. This includes setting up realistic ESG targets and solidifying our management approach to aid us in delivering responsible business growth.

The Company’s sustainability strategy and targets will be released in the second half of 2020.



What Keeps Us Going

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Purpose

To nourish and delight everyone, everyday, everywhere.

Vision

We are a sustainable and responsible global company of entrepreneurs that nourishes and delights our consumers with healthier food and beverages through our manufacturing excellence, nutrition expertise, trusted brands, and passionate people.

Mission

Reinforce current businesses and brands to deliver quality and value for money products that generate attractive returns through responsible sourcing and operational excellence

Pioneer the development of healthier and tastier food and beverages that consumers love and trust through latest credible nutrition science and effective branding

Strengthen the organization that attracts, nurtures, and retains passionate and high performing corporate entrepreneurs and teams who live balanced lives

Scale up the business across the globe by creating consumer and customer connections and experiences in a more profitable and sustainable way across the value chain

Core Values

Respect for the Individual

We accept that there will always be differences in opinion, perspective, and way of doing things. We find ways to arrive at the highest value that can be created out of issues and opportunities despite individual differences. We listen to everyone's opinion but are firm on the final team decision.

Teamwork

We work together under one vision and mission. We recognize the strengths of individuals and let the most qualified lead the team. We understand individual accountabilities, deliver on them, and do more as the situation calls for it.

Passion for Excellence

We continuously work across the value chain on excelling and optimizing our operations and costs to offer the best value for our customers, partners, and shareholders. We are relentless in overcoming challenges.

Integrity

All our decisions are guided through absolute integrity and conscience to protect our consumers, communities, partners, employees, and shareholders. We strive to do the right thing even when no one is watching. We adhere to moral uprightness, transparency, and trustworthiness. We walk the talk.



Humility

We respect each other and remain grounded even with exceptional intellectual achievements. We are open to ideas as brilliant ideas can come from anybody. We recognize the value of others far greater than oneself. We celebrate successes resulting from one's hard work and not due to the failure of others. We graciously accept defeat or loss, keeping in mind that this is but a learning experience preparing us for greater achievements. We are able to admit and accept one's mistakes.

Entrepreneurial Spirit

We have grit and possess a growth mindset that enables us to think big, persist in overcoming any challenges, and achieve our vision through a bias for action. We are constantly open to opportunities for the Company to grow further and become more profitable. We continuously strive for effectiveness and efficiency that will drive sustainable and profitable growth. We find ways to do things more efficiently while adding more value to product output to create more business or cost savings to the company. We act on what is good for the company but not to the extent of violating policies. We cut off bureaucracy and always consider the "business side" when making decisions.

Customer Centric

We continuously pursue to understand consumer needs, anticipate market trends, and work towards delighting them through our products and experiences. We understand who benefits most from the goods or services we provide and continuously find ways to "wow" them. We are reliable, resilient, and responsible. We go the extra mile to provide more than the basic necessities of our customer and display a sense of urgency to service their priorities.

Malasakit

We strive to exceed expectations through personal accountability, selfless contribution, team work, and proactively collaborating with each other with concern, care, and compassion. We have the mindset of an owner and treat the business as one's own. We help market our products, report relevant customer feedback, and direct display/stock concerns to the appropriate person. We patronize our products.



A Message to Our Shareholders

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Dear Fellow Shareholders,

As we write this letter, we are in the midst of the COVID-19 global pandemic. The Philippines is now emerging from quarantine into a permanently changed world. We are working to keep the business going to feed the rush in demand brought on by bouts of panic-buying while keeping our team members safe.

This crisis is an existential threat to many businesses. Life will take time to go back to normal, and the economic fallout from the lockdown will be great. Even if the challenges are immense, we are confident that our company will meet them and prove the resilience of our organization and our business. Many of our products are in high demand as they benefit from people staying at home and from consumers seeking comfort with their favorite brands. We believe we will be able to show that our business can do well or even thrive in both good and turbulent times.

Aside from keeping our products on-shelf and protecting our employees, we are also actively engaging with the community at large to provide food and financial assistance to the most economically vulnerable, as well as to the brave frontliners called by duty to work so most of us can shelter safely. We are grateful that we are in a position to contribute and are trying our best to do our part. We believe how we act as a company during this time of crisis will define our culture and who we are for the years to come.

Even as the story of the virus is still being written, and we do not know how or when it will end, we still need to look beyond the crisis and be prepared for what lies ahead for this new decade. For this, it will be helpful to review the last five years—the time since our company went public.

Our 5-Year Report Card

Our five years as a publicly traded company took place against a positive economic backdrop. The Philippine economy fared well, posting an average GDP growth of 6.3%, a relatively stable peso rate, and an average inflation of 3.0%. We are blessed to have this fertile environment for us to build our business.

During this period, we believe the CNPF team grew the business at a robust but sustainable pace, balancing short-term profit delivery while improving on a number of longer-term business indicators such as market share and distribution breadth and depth. At the same time, the business portfolio was strengthened through our diversification into healthier categories, setting up the Company for future growth.

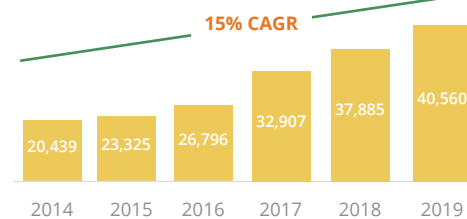


We are pleased to present that since going public in 2014, we grew revenues from PHP20.4 billion and ended 2019 at PHP40.6 billion, increasing at a compounded annual growth rate (CAGR) of 15%. Net income growth tracked revenues with a five-year CAGR of 15% as well, expanding from PHP1.6 billion to PHP3.1 billion in five years.

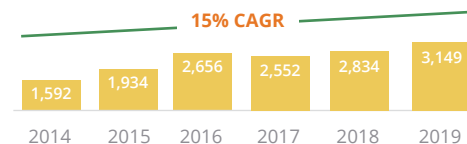
The Company faced down competition and continued market leadership in our core canned marine and meat businesses, with incremental gains and losses in various categories.

We are a more diversified company. In the last five years, we grew our dairy business four-fold and entered the coconut segment. These businesses now account for 30% of total revenues from 10% in 2014. Aside from diversification benefits, these two businesses also bring us closer to our mission of delivering affordable nutrition and building a healthier portfolio of products.

Revenues* in PHP million

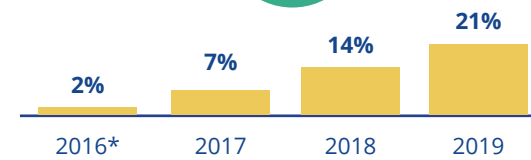


Net Income in PHP million



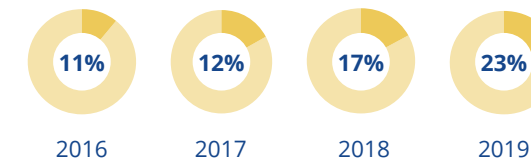
**IFRS 15 was applied to figures from 2016 to 2019 only.
Revenue breakdown is based on management report after intersegment eliminations.*

Powdered Milk Market Share

11%
2016 to 2019
Average

**As of January 2016
Source: Nielsen*

Milk as a Percentage of Total Revenue



Revenue breakdown is based on management report after intersegment eliminations.

We can certainly look back to these past five years as a period of growth and transformation. It is gratifying to see the results of our team's hard work. We believe we are well-positioned to maintain our primacy and are highly motivated to continue to deliver similar results as we move forward.

Our 2019 Business Performance

The Philippines had to weather a calamity-prone year with almost twenty typhoons, a series of earthquakes, and the African Swine Fever, among others.

Philippine GDP grew a respectable 5.9%, the slowest rate in eight years. The first half saw the economy grow at a sub-six rate, gaining momentum in the second half and posting 6.4% growth in the last three months of the year.

The business was resilient in the face of these challenges. Overall, the Company delivered a net income after tax of PHP3.1 billion, increasing by 11% versus 2018. The bottom line would have grown even more had it not been for the investments in several new product launches, which we believe are critical for long-term growth.

Our top line reached PHP40.6 billion, higher than 2018 by 7%. This was led by our branded business which jumped by 12%, driven by our surging dairy segment while the more mature marine and meat businesses posted more staid single-digit growth rates.

“ We are a more diversified company. In the last five years, we grew our dairy business four-fold and entered the coconut segment. These businesses now account for 30% of total revenues from 10% in 2014.

The OEM business registered negative revenue growth as lower commodity prices and the cost-plus nature of this segment pushed the top line down. However, both tuna and coconut OEM businesses met targets and saw improved bottom lines vis-a-vis the previous year, benefiting from long-term contracts with strategic customers and improved operating efficiencies.

Philippine consumer sentiment was tepid at the start of the year and most of the first half. We think this had a lot to do with the delayed passing of the national budget which stymied economic activity. Thankfully, we felt things turn around in the third quarter and experienced even more momentum the following quarter.

Similar to 2018, we saw our business in Visayas and Mindanao significantly outpace the rate of growth in Metro Manila. We think the urbanization of next-tier cities is a trend with a long tail and an indicator of a steadily growing middle class, all boding well for Philippine consumer markets.

We flagged that 2019 will be a year of innovation. We are proud of our three significant product launches, namely Birch Tree Fortified Choco, Argentina Corned Chicken, and Coco Mama Coconut Cream. It was exciting for us to see the culmination of many months of research and preparation, and we are happy to report that all three new products are either tracking or surpassing expectations. We will continue to invest in these products, as in most cases one year of support is not enough for innovations to get decent traction. At the same time, our teams continue to be busy as we replenish our innovation pipeline to tee up the next launches that will help us attain our expansionary ambitions.

Overall, and all things considered, we feel good about how we performed last year.

Mission InSpire

Also last year, we fired the starting gun on our sustainability journey and produced our maiden sustainability report. It was the first leg of a long journey to transform our business into a healthier, more inclusive, and more sustainable enterprise while still delivering on stretching business objectives.

We are rallying the team along the themes of Protein, People, and Planet. We identified “Protein” as key to our mission as our business is about delivering nutritious value-for-money products to the market, with the class C, D, and E segments of the population as our sweet spot. We find that many of us are switched on by the idea that running our business means supplying affordable food to a nutrition-challenged nation. The more we make our products competitive, the more we expand our distribution, and the more we nutrify our products, the greater our impact.

The “People” initiatives initially involve the safety, welfare, and development of our colleagues and employees and later on expanding the scope. Many of us feel energized as we see how our business activities enable our employees, as well as those within our business ecosystem, to climb the economic ladder and hit important life milestones such as

buying a home, starting a family, sending children to school, or graduating into retirement.

For “Planet,” we examine the sourcing of key materials, our usage of precious resources like water, and the impact we have on our environment. With the breadth of our scope, the effort runs the gamut of activities that includes responsibly sourcing tuna and shortening the supply chain for coconuts and vegetables to source more directly from farmers, to re-evaluating our energy sources as well as optimizing our water and plastic footprints.

“ We find that many of us are switched on by the idea that running our business means supplying affordable food to a nutrition-challenged nation.

We are pleased with the enthusiasm and energy that our teams have shown towards Mission InSpire, and will present our sustainable strategy with corresponding key performance indicators later this year.

Our Outlook for 2020 and Beyond

As of writing, we have already announced our first quarter results with our top line growing by 24%, net income increasing by 31%, and profit margins expanding—all even as we provide for COVID-19-related expenses, keep our employees safe, and provide food and financial aid to communities.

The first quarter performance was boosted by COVID-19 stock-piling, and we will be spending the next few months replenishing the depleted trade inventory levels. There is much uncertainty about the economic contraction unfolding and how this will affect consumer demand and purchasing power. At the same time, we are sanguine about the prospects for the year as we think we are well-positioned for emerging consumer trends coming in the aftermath of the pandemic, namely staying and cooking at home, eating healthily, seeking value for money, and switching to new digital channels.

The first three are trends we have been capitalizing on and play to many of our strengths, while the fourth was brought on by necessity during the quarantine and has catapulted digital commerce from niche to mainstream. Our team has responded by launching CNPF stores on key platforms such as Lazada and Shopee. We will watch these new channels closely and invest accordingly.

We will continue to invest in the innovations we launched last year, and have a couple more waiting in the wings for possible launches in this year’s second half. We also switched on our state-of-the-art 100 metric ton-per-day tuna plant this March which will take care of our capacity requirements for the next five years.

With these tailwinds, we anticipate that we could end the year surpassing our typical target of 10% to 15% growth and aim to deliver high-teens growth this year. The strong start to the year, benign outlook for commodity prices, and relatively stable peso combined with our various growth and investment plans give us comfort that this year’s goals are highly achievable.

Our strategy for the coming years remains largely the same. We will continue to emphasize our branded businesses in the Philippines where we believe we still have a long runway, and will grow existing categories through investments and innovations. We likewise believe that ramping up our food service business and taking our brands global will still present growth opportunities.

We will also continue to build a more diversified portfolio to deliver our growth aspirations and at the same time immunize the business from volatile commodities.

Part of our expansion tool kit will be our balance sheet. We have a lot more financial capacity to spare and will continue to scout for consolidation opportunities or bite-sized acquisitions that will bring us into new adjacent categories.

Essential to our strategy going forward is our sustainability and ability to balance the needs of all our stakeholders. We believe that sustainability—whether coming up with healthier products, taking care of our people and communities, or being good stewards of our resources—is essential to our longevity. We believe our commitment to responsible business will change the complexion and character of our business in a good way and will future-proof our enterprise.

No doubt, the economic and health challenges of COVID-19 still loom; and we will need to manage through these precarious times with care. At the same time, we have seen how our team has responded to the challenges; and our resilience as an organization has shone through each time. The defensive nature of our business during past crises also gives us confidence that we can outperform even during tough times until life goes back to some semblance of normal.

With a strong belief that we can face down the immediate concerns, we look out to another new decade with excitement and hope. We are deeply grateful for the trust and support given to us by you, our shareholders. Now, as before, we renew our commitment to be responsible stewards of your capital.

“ We believe that sustainability—whether coming up with healthier products, taking care of our people and communities, or being good stewards of our resources—is essential to our longevity. We believe our commitment to responsible business will change the complexion and character of our business in a good way and will future-proof our enterprise.



Christopher T. Po
Executive Chairman



Teodoro Alexander T. Po
President & CEO

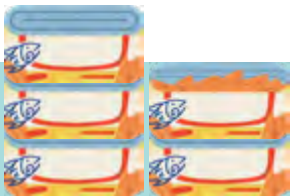
May 2020



Updates from Our General Managers



Marine
Gregory Francis H. Banzon
Executive Vice President & Chief Operations Officer



In 2019, CNPF maintained its dominant share in the Philippine canned seafood market by sustaining its solid leadership position in canned tuna and gaining market share in canned sardines. Our stronger position domestically also allowed the Company to further expand its presence in the international market, especially in countries where there is a sizable presence of Overseas Filipino Workers. Meanwhile, the COVID-19 pandemic triggered a surge in demand for our canned fish brands both domestically and internationally as widespread lockdowns were imposed. This prompted consumers to stock up on affordable, shelf-stable, yet versatile food products such as tuna and sardines. Production was ramped up while ensuring worker safety in our plants by adopting global health standards such as enforcing protective gear, physical distancing, and constant disinfection. The higher demand and more favorable material prices have helped us absorb the higher cost of operating under lockdown conditions to ensure worker safety.



Meat
Edwin Raymond C. Africa
Senior Vice President & General Manager - Meat & Corporate Business Services

We are happy that the business unit continued to deliver increased market shares as well as improved margins and cash flow for the Company. This was in spite of disruptions in 2019, not least of which was the African Swine Fever which impacted parts of the supply chain, including product delivery across the country. Through continued manufacturing and sourcing efficiencies, as well as investments in innovations which include the launch of Argentina Corned Chicken, we managed to weather the storm and come out stronger as an organization. Q1 2020 has been unprecedented, not only for our business but also for our entire country and society. As virus infections continued to rise, we heeded the call of the government to implement work-from-home arrangements for non-critical roles, and implemented additional safety measures for our front-line employees who are essential to continue producing our much-needed food products and meet the increased demand. Supply chains have also been stressed as different countries implemented their own lockdowns. Fortunately, we hold raw material and finished goods inventories which should help us continue serving demand. For the rest of the year, the challenge is on the supply chains as raw material supply will probably tighten. We are reviewing all expenses to ensure that we can balance out potential increases with other costs savings.



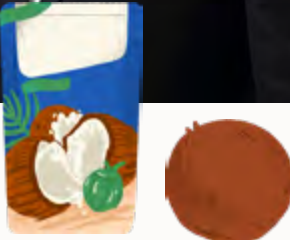
Milk
Ronald M. Agoncillo
Vice President & General Manager - Milk

2019 was another record-breaking year for our dairy business in terms of sales and profit growth. We have tripled the business in just three years and made significant market share gains, not only to our base business but also to our latest product innovation. Amidst the COVID-19 situation, our mission of providing affordable milk nutrition for everybody becomes even more relevant. While we are currently facing intensifying competition, the market remains attractive, and plans are in place to move forward with our vision of providing high-quality dairy products that will challenge and improve the way consumers eat, drink, and live.



Coconut
Noel Anthony M. Tempongko, Jr.
Vice President & General Manager - Coconut

From a triple bottom line standpoint (People, Planet, and Profit), the business unit made positive strides to grow in a balanced way. Apart from meeting our usual financial targets, we invested in our people development program designed to build specific competencies to future-proof our operations. We are also proud to have been given the world's first certification from the U.S. FDA's Voluntary Quality Importer Program, expediting our exports of virgin coconut oil to the U.S. Our core products, particularly coconut water and coconut milk, saw a spike in demand as a result of the COVID-19 situation primarily due to pantry loading in destination countries. The focus on healthy products made coconut water an essential in the U.S., while coconut milk is considered a meal staple in countries we ship to, forming part of consumers' grocery baskets as they stocked up. In our small way, we help feed people in other parts of the world as well. Due to the changes in consumer preferences in this new normal, we will advance our capacity expansion plans to meet demand as global consumers change their food and beverage choices moving forward.



Tuna OEM
Teddy C. Kho
Vice President & General Manager - Tuna OEM

In 2019, the OEM export business saw top line challenges due to lower tuna prices. Nonetheless, we still met bottom line targets as we focused on higher-margin regions by growing sales volumes in those markets, and began offering non-tuna marine products as well. Faced with COVID-19, we are making every necessary effort to ensure the health and safety of our employees, sustain a stable supply chain, and maintain business continuity in our operations. As expected, we are seeing a decrease in food service demand, but we are ramping up our retail products and frozen loins to compensate for this.



To my Century Pacific family,

I would like to take this opportunity to thank all the men and women of our company for their commitment, passion, hard work, and leadership in the last few months.

Despite the many obstacles, challenges, and confusion, especially during the initial phase of the lockdown, our team persevered—resolving every problem and fulfilling the needs of our customers which have exceeded even our highest forecasts for the year.

Teamwork was evident as we sustained the movement of materials, helped our plant employees get to work, and ensured continued cash flows and information systems to support all our critical operations.

I am most thankful for our own Century frontliners who braved to work daily in spite of the threat of the virus. Some of you had to endure numerous checkpoints traveling to and from work every single day; some of you had to stay on-site, away from your family and loved ones; and all of you complied faithfully to the strict health and safety protocols being implemented in our sites.

These are true demonstrations of our value of *malasakit* which, now more than ever, I know to be a hallmark of what it means to be part of Century.

As we continue to battle the health and economic effects of COVID-19 on our country, we must derive strength from the fact that our company plays a big role in easing our nation's pain. We must continue to work hard and work smart to ensure our countrymen a steady supply of enjoyable, quality, and, most importantly, affordable food products.

Thank you all for your invaluable contribution to the Company and for living up to our purpose of nourishing and delighting everyone, everyday, everywhere.

Because of you, I am confident that while the sky is gloomy today, we can create a brighter path for our company and our society tomorrow.

Ricardo S. Po, Sr.
Founder & Chairman Emeritus
May 2020



#TheFilipinoCan

In March 2020, Metro Manila, along with other regions in the Philippines, was placed under community quarantine as COVID-19 began to spread in various areas. Since then, the daily routines of many Filipinos have been overturned as the new set-up saw general mobility restricted and non-essential establishments confined to limited or even zero operations. Only essential services were permitted to continue, such as medical services, financial services, retail and wholesaling, food preparation and delivery services, utilities, and manufacturing.

Initially, we saw consumers panic buying due to the uncertainty brought about by this new threat to public health. Many Filipinos prioritized basic necessities, including our own products as they are affordable and shelf-stable which resulted in a surge in demand.

As a business tagged part of an essential industry, CNPF was allowed to continue operations to help provide the needs of Filipinos. We sought to overcome the new challenges brought about by the community quarantine as quickly and efficiently as possible to address the heightened demand. We had to determine how to mobilize our workforce when public transportation was suspended and how to move our products when mobility was restricted.

With the guidance of CNPF's leadership team and the support of the rest of the organization, we have undertaken various efforts to continue fulfilling our commitments to our many stakeholders.

Today, we face the fight
of our lives. But our spirit
can't be slain.

Business Continuity

We have taken measures to ensure business continuity given our responsibility to help ensure affordable food products are available to the nation.

On supply chain management

With regard to our raw materials, we are taking measures to mitigate potential disruptions on the global supply chain, and have alternative suppliers in place should we encounter any supply issues. These allow for sufficient raw materials inventory.

We are in constant coordination with our suppliers and trade distributors who are also tagged as essential industries. We are also increasing our logistics capabilities to ensure a smooth supply chain and continued finished goods inventory replenishment to address growing demand.

These are achieved with the help of the Department of Trade and Industry as well as the Inter Agency Task Force to maintain a smooth flow of goods, and allow for continued operations across all business units.

On capacity expansion

Some of our expansion programs have been accelerated to meet high demand. Our new tuna plant in General Santos was commissioned last March, effectively increasing our capacity. We have also hired additional personnel such as merchandisers and warehousing staff and continue to automate and expand production lines to further support the business.

On emerging consumer trends

We continue to take stock of our medium- to long-term growth plans, taking into account new consumer trends that are emerging as a result of the enhanced community quarantine.

As a good portion of the population are unable to freely go outside of their homes, there has been an increase in the number of consumers cooking at home. We have been catering to this by actively using digital media to post recipes and how-to guides, allowing us to continuously

build brand equity and connect with consumers even while they are at home.

We have also increased our ability to sell via non-traditional channels such as dedicated online stores and home delivery service. There has been positive reception and take up from these channels.

Product health and safety will definitely be top of mind amongst consumers in the foreseeable future. During the enhanced community quarantine, this has benefitted products that serve as alternatives to food items which are inaccessible or perceived to be "less safe" than the packaged format. Standard production processes for our canned goods also involve ultra-high heat processes that again ensure the safety of these products. We are also currently emphasizing the added health benefits in our existing products to cater to the more health conscious consumer.

Following the economic uncertainties brought about by this pandemic, "value for money" products are likely to outperform. Most of our brands fall within this segment and cater primarily to the base of the consumer pyramid.

On production adjustments

Regular operations continue as these expansion programs and growth investments are carried out. In part to above efforts, our production, distribution, and warehouse facilities, alongside other critical functions, are operational around the clock. This allows us to maintain a decent customer service level amidst an uptick in demand, ensuring our products are readily available.

While maintaining production levels, we have revised our plant layouts and shift schedules to ensure not only the safety of our products but most especially the health of our workforce. We have also implemented stricter security and safety protocols across all worksites. These include regular disinfection of our plants and warehouses, enforcement of social distancing in all areas, distribution of health kits to employees, and all other Department of Health safety protocols.

Our Employees, Our Frontliners

Our employees are the reason we are able to continue operations and service the Filipino community. We are immensely grateful for their dedication to help the company and its stakeholders during these trying times, and are providing the necessary support to each and every one of them.

Our employees continue to be properly compensated, with an advance in their prorated 13th month pay. We have worked to make health benefits more accessible while areas are still under community quarantine. The Company also distributed free canned products and vitamins, and

provided free transportation, accommodation, and meals in certain facilities.

Our employees are proud of the work they do, ensuring our products are available at this time when consumers need them the most. We see renewed commitment from our own frontliners even as we face more challenges going through the COVID-19 situation in the country. They embody our values of customer-centricity and *malasakit*, focusing on the needs of Filipino consumers during this pandemic in order to fulfill our purpose of nourishing and delighting everyone, everyday, everywhere.



"We process and deliver all orders from trade and local government units, ensuring that supermarkets and groceries have enough stocks on their shelves and that local government units are able to distribute CNPF products to every family. We also make sure that we have enough delivery units to serve requests for donation nationwide. These may just be regular day-to-day activities, but we know deep inside our hearts that we have touched lives and have provided nourishment and healthy food to our countrymen. At first, I was afraid to report for work due to COVID-19; but being a logistician, I know that I have a responsibility to ensure that my fellow Filipinos have food on the table. I also have a responsibility to the company and my team members to ensure the supply chain will not be hampered and will continue to provide its services to the people."

Manolito Oliquiano, Distribution Center Manager



"My work contributes to the processing of some company finances, without which we would not be able to sustain the expenses needed to operate. I choose to report to work despite the COVID-19 pandemic because I want to contribute to society by ensuring smooth operations in the back office, making our products available in the market as financial operations are covered."

Sandra Ramirez, Treasury Officer



Being in the Human Resources team, our clients are our employees. It is our task to nourish them with proper processes and policies that are suitable for whatever situation, especially now that we are forced to have a work-from-home set-up.

Employees are delighted knowing we continuously adjust the gears of our processes to ensure smoother workflows and employee assistance.

Given the current situation we are facing, our job in Human Resources is mainly to support management and align our employees to the direction we are moving towards. We should not be boxed to the norm but go beyond what is expected of us, being an arm in providing the needs of our employees to ensure business continuity.

Mark Avanceña, Human Resources Associate



"As the outbreak of COVID-19 continues to spread around the world, we safety officers play a vital role in keeping our factory safe by leading sanitation and conducting surface disinfection on a daily basis, and ensuring that employees comply with the proper use of masks and other personal protective equipment. We also take part in keeping our community safe by engaging with our local government units in their street disinfection program."

Glenn Umali, Plant Safety Officer

One with the Filipino People

We are also working closely with the national government and partner local government units to donate one million assorted food packs. As of May 2020, we were able to distribute more than 700,000 of these food packs. In addition, we support our country's healthcare workers, serving close to 260,000 snacks to 128 hospitals in 31 cities. This initiative was in collaboration with local food service brands "Shakey's" and "Peri-Peri Charcoal Chicken and Sauce Bar" as well as Frontline Feeders Philippines.

CNPF also formed part of Project Ugnayan-Damayan, the largest private sector-led fundraising collaboration including some of the country's leading business groups, Caritas Manila, and the Philippine Disaster Resilience Foundation. This initiative has helped feed 7.5 million individuals in Metro Manila's poor communities.



"The Perpetual Help Medical Center-Biñan would like to express its profound gratitude and gratefulness to Century Pacific Food, Inc. for donating boxes of sardines for our health workers and hospital staff. Anything is possible in the midst of this crisis because we have you to support us to win the battle against COVID-19. We cherish your kind support! God bless us all!"



"Another shout out to our friends at Century Pacific Food, Inc.! Thank you for donating 30 boxes of Century Tuna and 555 sardines to help take care of stranded UPLB students. *Mabuhay po kayo at maraming salamat!*"



"When difficulty comes, keep it in mind that there will always be heroes of their own kind that will make a difference in someone's life.' Earlier, Santa Rosa City Jail Female Dormitory, headed by JSINSP Analiza G. Foster, Female Warden, received nine hundred sixty (960) pieces of Century Corned Tuna easy open cans donated by Century Pacific Food, Inc., coordinated by JO1 Melvin Abastillas, CRS Officer. The said donation benefitted one hundred fifty-two (152) female Persons Deprived of Liberty (PDLs) of this facility. It is the facility's approach to lessen the burden on our PDLs due to suspension of 'Paabot' amidst the COVID-19 pandemic. We would like to extend our heartfelt gratitude to Century Pacific Food, Inc. Thank you so much!"

Pagsabog ng bulkan
Lindol
Bagyo

Nalampasan natin lahat yan
Pero hinaharap natin ngayon
ibang klaseng kalaban

Pero Pilipino Tayo
Matulungin
Mapagbigay
Handang magsakripisyo
Para sa bayan

Di natin pababayaang isa't isa
Matagal pa bago matapos ang laban na 'to
Tutulo ang luha
At may masasawi

Pero mananalo tayo
...kasi mas nakakahawa ang kabutihan
ng Pinoy

Kaya ng Pilipino.
#TheFilipinoCan

Volcano eruptions
Earthquakes
Typhoons

We have weathered them all
But what we are facing now
is a different kind of enemy

But we are Filipinos
Helpful
Generous
Ready to sacrifice
for our countrymen

We will always be there for each other
The battle will be long
Tears will flow
and there will be casualties

But we will WIN
...because Filipino Kindness is more
contagious

We can do this.
#TheFilipinoCan

We will win this
fight because
kindness is
infectious.



Beyond the Crisis

In good times, we aim to grow our business 10% to 15% a year on the back of rising incomes and the need for affordable protein and more nutritious food. During more challenging periods, such as now, the nature of our products allows us to not only post growth but, in fact, even outperform. Moreover, we are able to continue investing in our business amidst the short-term disruptions and pursue the strategies that will help us deliver more stakeholder value moving forward. Some of these medium- to long-term strategies are outlined below:

Reinforce current businesses and brands to deliver quality and value-for-money products that generate attractive returns through responsible sourcing and operational excellence

- Solidify market dominance in key categories by investing in our brands and strengthening our products’ value proposition
- Support category growth by innovating new products and exploring the various sub-segments of the market
- Actively search for undervalued brands which can be scaled up and operated more efficiently
- Increase operational productivity, manufacturing efficiencies, as well as sales and distribution coverage

Strengthen the organization that attracts, nurtures, and retains passionate and high-performing corporate entrepreneurs and teams who live balanced lives

- Create an adaptive organizational structure which identifies required roles and places appropriate personnel to fill them, while further institutionalizing the redefined Vision, Mission, and Values
- Maintain effective recruitment that utilizes traditional and non-traditional approaches, maximizing the corporate brand and ensuring total compensation and benefits are competitive
- Implement active succession planning for the leadership pipeline, formulating overall training strategy across the organization
- Strengthen retention strategy and incentive plans for key talents

Pioneer the development of healthier and tastier food and beverages that consumers love and trust through latest credible nutrition science and effective branding

- Create a cultural focus on innovation and on trying new things, exploring new product developments within existing categories and in adjacent ones as well
- Utilize cutting-edge R&D for the development of products as well the reduction of costs, maximizing both internal and external resources
- Enhance brand and product innovations through active and targeted marketing campaigns that differentiate from competition and inspire customers toward brand loyalty
- Work closely with long-standing international clients to develop products for sale in international markets, manufacturing them in the most cost effective way

Scale up the business across the globe by creating consumer and customer connections and experiences in a more profitable and sustainable way across the value chain

- Establish an international presence by pursuing foreign markets with a sizable Filipino base, utilizing brands that are close to the Filipinos’ hearts
- Build up world-class manufacturing and export capabilities, building scale and expertise and becoming a trusted partner for customers around the world
- Embed a company mindset that delivers on short-term results yet prioritizes long-term and sustainable growth that benefits all stakeholders
- Utilize and recognize the importance of Environmental, Social, and Governance metrics in ensuring and measuring the sustainability of the business model





People, Planet, Protein

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Our Sustainability Focus

102-29 102-46 102-47

Having embraced sustainability as part of our company's way of doing business, we further intensified our efforts, responsibly delivering our commitments to customers and consumers while working on areas for improvement that are important to various stakeholders of the Company. Our Sustainability Framework guides our initiatives as it identifies these focus areas and provides a roadmap for our sustainability activities.

Protein Delivery

We seek to delight consumers by innovating, producing, and distributing nutrient-rich food products, making them affordable and accessible while adhering to the highest standards of food quality and safety at all times.



Nutrition



Accessibility



Product Innovation, Design, and Lifecycle Management



Food Quality and Safety

Purchases Assessment

Our sustainability journey extends beyond our company's operations to include our suppliers as well.

Supplier Credibility

Raw Materials Traceability



Planet Preservation

We monitor our use of natural resources as well as the impact of our operations on the environment.

Natural Resource Efficiency

Environmental Impact Management



People Development

Our employees and communities are what keep the company running. As such, it remains crucial to nurture them to grow and develop alongside the business.

Diversity and Inclusion

Professional and Personal Growth

Workplace Safety

Community Development



Good Governance

The Company is guided by its purpose and vision, governed by legal and ethical standards, and pushed forward by well-informed decisions.



Creating Value Across Our Business

102-9

102-31

Our sustainability value chain map fleshes out how our sustainability focus areas are embedded throughout the company's value chain. It guides various levels and departments on how to enhance sustainable processes as we seek to create value for the business and ultimately the consumer. It also effectively defines roles and accountability as we execute the various plans and programs.



Research and Development

Developing,
reformulating, and
testing new product
recipes and formulations



Sourcing

Having strict assessment and accreditation for raw material suppliers to ensure food quality



Manufacturing

Enforcing food quality and safety, as well as regulatory requirements in food manufacturing



Distribution

Ensuring sufficient accessibility to reach the demand of partner retailers in a timely and efficient manner



Customer

Maintaining a wide network of local and international business partners to reach several markets




Consumers

Engaging consumers
to gain feedback for
continuous improvement
of product quality and
consumer satisfaction

| Sustainability Pillars | | | | | | | |
|------------------------|--|---------------------------------|--|-----------------------------|---------------|--|-----------|
| Protein Delivery | Nutrition | | | | | | Nutrition |
| | | | | | Accessibility | | |
| | Product Innovation, Design, and Lifecycle Management | | | | | | |
| | Food Quality and Safety | | | | | | |
| Purchases Assessment | Supplier Credibility | | | | | | |
| | | Raw Materials Traceability | | | | | |
| Planet Preservation | | | | Natural Resource Efficiency | | | |
| | | Environmental Impact Management | | | | | |
| People Development | Diversity and Inclusion | | | | | | |
| | Professional and Personal Growth | | | | | | |
| | Workplace Safety | | | | | | |
| | | Community Development | | | | | |
| Good Governance | Business Ethics and Compliance | | | | | | |
| | Labor Practices | | | | | | |

How We Engage with Stakeholders

102-21 102-40 102-42 102-43 102-44

| | CHANNELS OF ENGAGEMENT | CONCERNS | HOW WE ADDRESS THEM |
|----------------------------|---|--|---|
| Consumers | <ul style="list-style-type: none">• Consumer touch points (phone, email, website, social media channels, regular field work, and trade show activities)• Regular internal satisfaction surveys• Research with third-party agencies | <ul style="list-style-type: none">• Product quality• Product accessibility• Packaging issues | <ul style="list-style-type: none">• Timely resolution of customer complaints• Tighter partnerships with retailers and customers• Ongoing messaging set-up in social media for faster response to customer complaints• Product briefings, seminars, and workshops for staff |
| Customers and Retailers | <ul style="list-style-type: none">• Customer touch points (branches, personnel, phone, email, website, and social media channels)• Regular site visits to existing retailers and participation in events such as conventions, new store opening, and in-store promotions• Joint business reviews and planning | <ul style="list-style-type: none">• Quality of products (dented products)• Reliability and timeliness of product deliveries• Convenience of sales process and billing concerns | <ul style="list-style-type: none">• Timely resolution of complaints and regular feedback• Continuous monitoring and upgrade of systems and processes• Alignment of activation plans, budget, and promo effectiveness• Product briefings, seminars and workshops for staff |
| Suppliers | <ul style="list-style-type: none">• Communication lines (phone, e-mail, meetings, and business reviews)• Supplier accreditation process on eProc• Delivery schedules• Order placement/PO issuance• Request for quotations/proposal/ bidding information• Receiving of deliveries  | <ul style="list-style-type: none">• Issues with bidding through eProc portal• Inefficiencies of the system (late delivery advice, sudden changes on the schedule, quantities and location, out of lead-time orders)• Late posting of receiving report resulting in payment concerns• Late payment release and unreconciled accounts | <ul style="list-style-type: none">• Coordination with IT and service provider on speed and performance optimization of eProc portal, and reactivation of vendor training program• Management of vendors' expectations by advising ahead of time of the long queue• One-time and accurate payment processing and release, and assistance to suppliers regarding accounts payable reconciliation• Proper material planning, close inventory monitoring, and cross-functional discussions with top management |
| Investors and Shareholders | <ul style="list-style-type: none">• Annual stockholders' meeting• Publication of Sustainability and Annual Report• Analysts' briefings• Conferences and roadshows hosted by institutional investors• Formal meetings, site visits, and conference calls with investors and analysts | <ul style="list-style-type: none">• Trends on the macroeconomic and socio-political environment in the industry• Business outlook, viability, and growth• Implementation of company strategy and transparency in reporting of results• Financial management | <ul style="list-style-type: none">• Constant engagement with investors, analysts, corporate regulators, and the investing public through different channels• Risk management and good governance procedures• Transparency in the information provided in reports and timeliness of its publications |

| | CHANNELS OF ENGAGEMENT | CONCERNS | HOW WE ADDRESS THEM |
|--|---|--|---|
| Employees | <ul style="list-style-type: none">• Online communication through learning portal, email blasts, newsletters, social media• Individual and group engagements (performance reviews, engagement surveys, and focus group discussions)• Official company events (town hall meetings, planning, and trainings)• Team building activities (summer outings, Christmas parties, special wellness events and sports activities)  | <ul style="list-style-type: none">• Strategy and direction of the company• Employee salaries and benefits, variable pay, and other financial assistance• Career development and growth (programs, succession plans, opportunity for external training, rewards and recognition)• Company culture and personal welfare (Occupational Health and Safety, work relationships, wellness programs) | <ul style="list-style-type: none">• Review and continuous improvement of performance management system, as well as manpower and succession planning• Adherence to policies on salary structure, benefits, incentive and bonus system, and provision of access to loan programs (SSS, HDMF, company funds)• Partnership with DOLE on occupational health and safety training• Implementation of employee engagement, trainings, and recognition programs• Initiating wellness programs on physical, mental, and spiritual health (i.e. Century Superbod – Employee Edition, Weight Loss Challenge, First Friday and Special Masses, Prayer room for Muslim colleagues, Annual Physical Exam) |
| Government | <ul style="list-style-type: none">• Policy dialogues, consultations, and briefings• Invitation to events and lectures• Annual audits, required reports, and publications such as financial statements• Official correspondence and formal proceedings | <ul style="list-style-type: none">• Compliance with laws and regulations• Opportunities and areas for public and private sector collaboration• Completeness and accuracy of reports• Transparency and accountability | <ul style="list-style-type: none">• Compliance, transparency and timeliness on submission of required reports and renewal of permits and licenses• Updating of company policies and systems based on latest government regulations• Attendance and participation to government-sponsored learning sessions and compliance programs |
| Communities (Beneficiaries of CSR Programs) | <ul style="list-style-type: none">• Feeding programs in partner schools, orphanages, and parishes• Volunteer activities in chosen communities• Meeting with other NGOs, CSOs, and government agencies | <ul style="list-style-type: none">• Product quality and information• Limits in product variety provided• Recipe of food provided• Timeliness in delivery of goods | <ul style="list-style-type: none">• Pre- and post-evaluation with stakeholders (students, parent-volunteers, school representatives)• Basic food handling and demo cooking using Century-prescribed recipes• Dialogue with the feeding coordinators and parent-volunteers• Planning and coordination with communities and government agencies prior to the volunteer activity |
| Communities (Surrounding Plant Operations) | <ul style="list-style-type: none">• Community meetings  | <ul style="list-style-type: none">• Environmental concerns and waste disposal• Traffic congestion caused by the trucks coming in and out of the plant• Plummeting of copra/dehusked nuts price to a very low level which severely affects the income of coconut farmers | <ul style="list-style-type: none">• Dialogue with the communities in partnership with the local government unit• Partnership with third party for recycling and upcycling of waste• Adherence to the recommended traffic routes for private vehicles and trucks• Implementation of feeding programs in schools in General Santos City, near the residence of most of our coconut farmers |

Building a Sustainability Strategy and Targets

102-19

102-20



For decades, CNPF has been purposively giving back to communities through its various Corporate Social Responsibility (CSR) programs. Recently, we evolved from CSR to ESG (Environmental, Social, Governance) as the foundation for operating our businesses responsibly. While CSR highlighted the positive impact on communities and the environment, ESG aims to incorporate initiatives that are both important to stakeholders and impactful to the Company into the way we run our business.

As a result, we have now begun the process of laying out a sustainability strategy and its relevant targets and metrics. The Company commenced its groundwork by reviewing collected material information and data. We then engaged with various stakeholders to better understand their perception of the Company's current sustainability efforts and their expectations on future initiatives. Moreover, we informed ourselves of sector-specific material topics by benchmarking against other industry players.

To hash out all this information and incorporate other ideas, we held a Responsible Business Forum last March 2020 where our Management Committee listened to industry experts, brainstormed ideas, outlined challenges and concerns, as well as prioritized and ranked various aspects of sustainability.

The end result will be relevant and actionable key focus areas, initiatives, goals, and metrics for the short to medium term. Additionally, a governance structure was set up to ensure a sustainability chain of command for proper accountability. Our Board of Directors will spearhead the organization in this endeavor through the Corporate Governance Committee, whose responsibilities will be expanded to include sustainability matters. Meanwhile, identified members of Senior Management will lead the process of integrating sustainability into business operations with the support of the entire organization.



Forum speakers included a CEO of a major Philippine conglomerate, the head of sustainable investing from one of the Philippines' largest banks, and the general manager for a global sustainable brand about to open shop in Manila. Top executives from CNPF were in attendance to brainstorm more ways to create positive environmental and social impacts through the business.

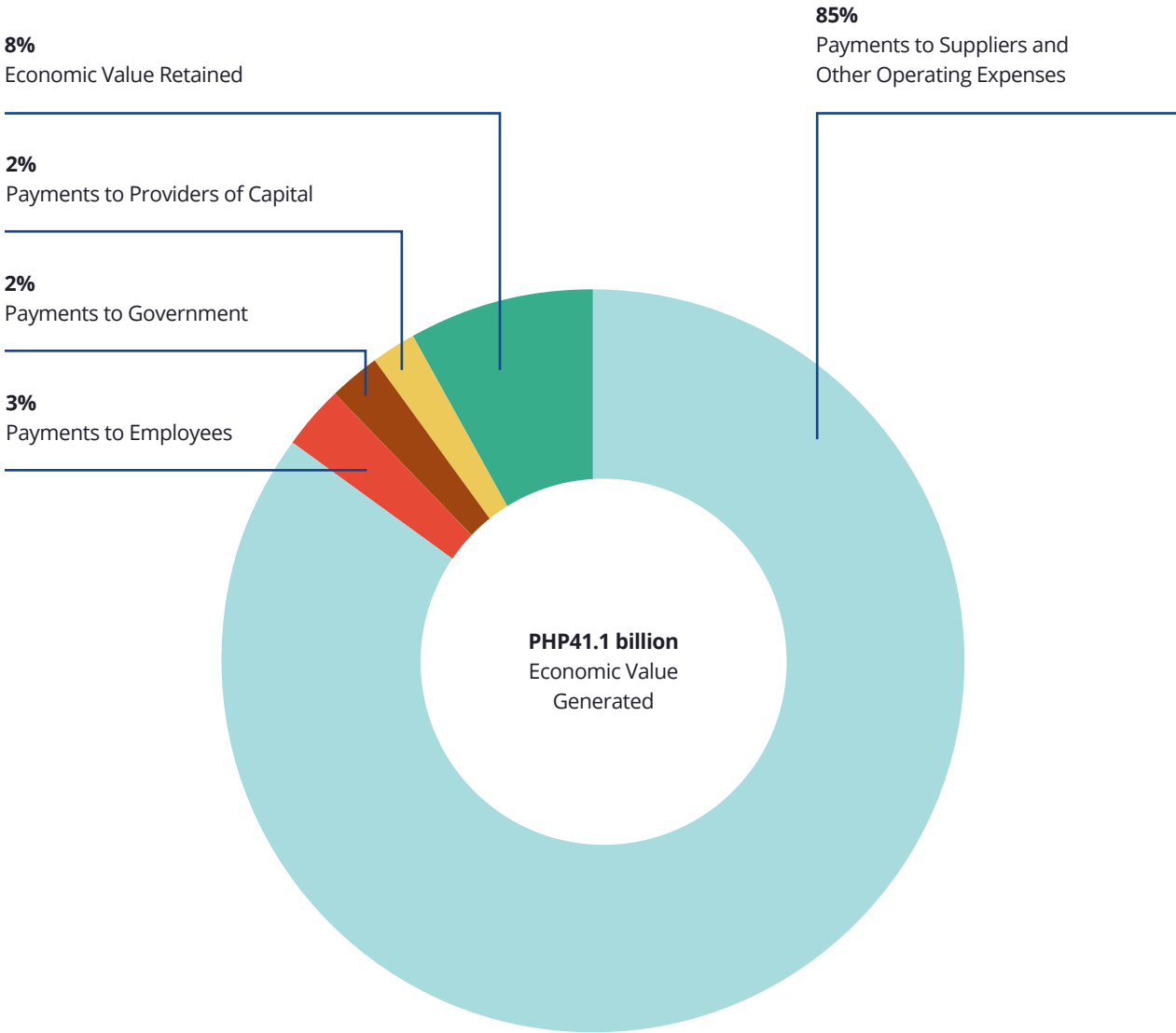
The Company engaged The Purpose Business (TPB) to help develop its sustainability strategy for 2020 and beyond. TPB helps organizations around Asia embed purpose and sustainability into their business strategy and operations by mapping out ESG impacts and helping companies address them responsibly. Read more about how TPB helps build responsible businesses in Asia, including more information on their work with CNPF here: <https://thepurposebusiness.com/case-studies>

A more comprehensive report on the Company's sustainability strategy and targets will be released in the second half of 2020.



The Economic Value We Create

201-1



Economic Value Generated

In total, our company generated an economic value of PHP41.1 billion in 2019. This is a 7% increase from 2018, driven by continued growth in sales.

Payments to Government

Our contribution to the government through current taxes reached PHP1.0 billion in 2019.

Payments to Suppliers and Other Operating Expenses

Majority of our economic value, around 85%, was allocated to procurement, production, and manufacturing costs.

Payments to Providers of Capital

Our dividends paid and finance costs amounted to PHP1.0 billion, increasing by a hefty 21% as we continue to provide shareholder value.

Payments to Employees

The increase in workforce needed to support our expanding business pushed up the allotment for employees' salaries, wages, and benefits to PHP1.3 billion, accounting for 3% of our total economic value. This translates to a 13% growth over the previous year.

Economic Value Retained

Around 8% of the PHP41.1 billion economic value we generated this year is retained for investments in future growth.



Protein Delivery



Nutrition

416-1

As a leading food manufacturer in the Philippines, CNPF was able to redefine the shelf-stable food category by combining the convenience of packaging with the nourishment offered by our protein-rich and nutrient-fortified marine, meat, milk, and coconut products, catering to consumers who value proper nutrition at affordable prices.

Alongside efforts to fortify our products with nutrients, we continue to monitor certain product ingredients which may have unfavorable effects on the body when consumed beyond the optimal level, such as sodium and nitrite. Our Research and Development department aims for the ideal balance of preserving the taste and quality our consumers love vis-à-vis enhancing the overall nutritional value of our products.

Marine

The Company's flagship brand, Century Tuna, is at the forefront of our drive towards health and wellness as its products are a rich source of protein as well as Omega-3 DHA. As highlighted in our Fish Everyday campaign, a serving of Century Tuna Flakes in Oil, which is about 56 grams, contains 0.6 grams of Omega-3 and 7 grams of protein. Regular consumption of omega-rich food helps prevent blood clots, lowers blood pressure, and protects against irregular heartbeats. On the other hand, protein supports the growth and repair of body tissues as well as regulates bodily processes. Because of the nutrients consumers gain from this product, the Food and Nutrition Institute recommends Century Tuna Flakes in Oil be included in daily meals for adults.

We are guided by a salt matrix to ensure ideal levels of sodium in our oil-based tuna products. We also do not use artificial coloring; our highly popular sardines product instead uses lycopene as a natural food colorant in its tomato sauce.

Our Research and Development team continues to study the benefits of other nutrients inherent in our marine products such as vitamin B3 (niacin) and phosphorus which enhance the immune system through energy metabolism and fatigue reduction.

Meat

Apart from being good sources of protein, our meat products contain sufficient amounts of iron which is vital for blood circulation, as well as zinc which helps regulate the immune system.

Our Hunt's Pork and Beans product, which continues to dominate the domestic beans market, makes use of lycopene and is also a steady source of fiber.

Milk

As milk remains one of the best sources of essential nutrients for the body, our Birch Tree Fortified and Birch Tree Fortified Choco variants not only nourish everyone with protein and calcium for growth and strong bones, but are also fortified with inulin probiotic which helps fight chronic illnesses.

To further support dietary requirements, our Birch Tree products also contain vitamins A, B1, B6, C, and other minerals such as phosphorus, sodium, potassium, magnesium, iron, and zinc.

Coconut

The versatility of the coconut becomes even more evident with its wide range of health benefits. Our dessicated coconut and coconut oil products contain plant-based fats which are rich in antioxidants. Dessicated coconut is also a source of iron, zinc, and vitamin E.

Potassium in particular can be found in our coconut water and dessicated coconut products. Moreover, our coconut oil, coconut milk, and coconut flour products contain healthy acids such as lauric, myristic, palmitic, and oleic.

23 million

kilograms of protein distributed to the market

This is 9% more compared to the 21 million kilograms of protein we put out in 2018¹. Around 96% or 22 million kilograms was consumed in the Philippines. This is equivalent to the annual protein requirement of more than 250,000² Filipino families.

343 million grams of Omega-3 and 27 million grams of DHA

consumed by our loyal Century Tuna customers

2 million grams of iron and 1 million grams of zinc contained in the Argentina products we sold

274 million grams of calcium supplied through our Birch Tree products

12 million kilograms of plant-based fat provided through our coconut oil, dessicated coconut, and coconut flour products

80 million grams of potassium rolled out from our coconut water and dessicated coconut products

¹ Figures have been restated from our first sustainability report as we continue to assess our data collection process to more accurately present our performance.

² This number is computed by dividing the total kilograms of protein sold by the total kilograms of FNRI protein requirements of an average Filipino family in a year. Based on the Philippine Statistics Authority, an average Filipino family consists of 4.4 members.

2 billion
tins and pouches of
our products sold
across the Philippines

78%
of all points of sale
in the country carry
our brands

This means our products
are available in about
904,000 outlets. 183,000 of
those are directly serviced
by CNPF.

Source: Nielsen, 2019

19,832
restaurants served in
the Philippines

Similar to last year, this is
21%³ of the total consumer
food service establishments
in the country.

45.2 million
tins of our branded
products exported to
62 countries

3 Figures have been restated from our first sustainability report as we continue to assess our data collection process to more accurately present our performance. Source for total consumer food service establishments in the Philippines: Euromonitor

Accessibility 102-6

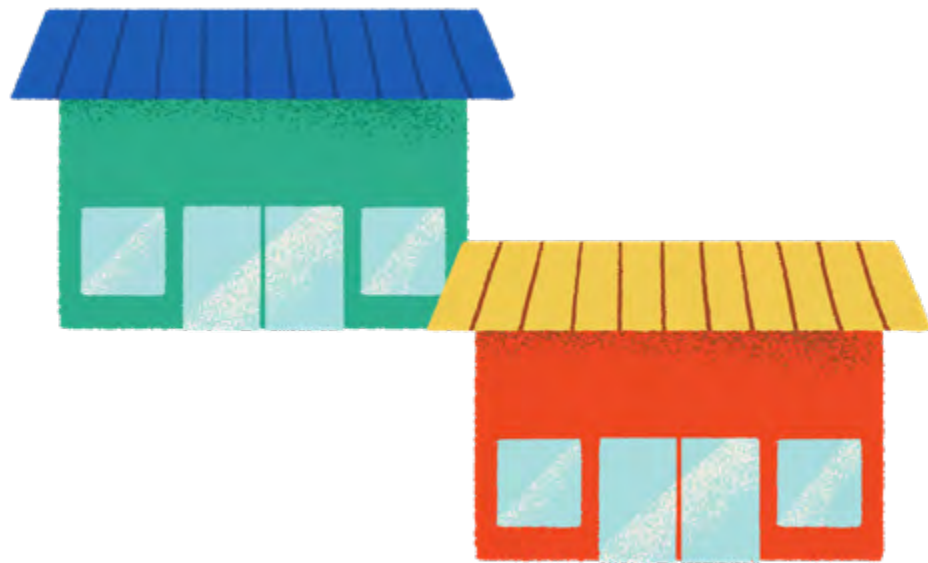
Driven by its vision to nourish and delight everyone, everyday, everywhere, CNPF focuses on continuously improving its products' availability in various distribution channels—from big and modern supermarkets and convenience stores down to neighborhood groceries and *sari-sari* (mom-and-pop) stores—making our products ubiquitous and accessible to consumers.

To strengthen our market leadership in the Philippines, we embarked on a distribution strategy which aims to build a coverage plan of the "right stores," strategically and carefully selected to generate sustainable downline business. We also continue to find ways to maximize our sales team infrastructure before further setting up new ones to enhance efficiency and optimize costs. As we improve our distribution network, we likewise focus on the quality of our coverage by selling more to existing stores and increasing the number of SKUs on their shelves.

Similarly, the Company made significant inroads in the international market. In 2019, we successfully established our presence in an additional six countries. For 2020, we have set our sights on reaching new markets and further extending our focus from our loyal Filipino consumers to a broader mainstream market. To support these strategies, we have initiated digital campaigns in certain countries.

We also cater to institutional clients through our food service business. With the help of our Culinary group, we are able to come up with innovative and healthy menu ideas featuring our portfolio. Our Research and Development team develops pack sizes tailor-fit for our institutional clients' requirements and operations, while our Quality Assurance group ensures a high level of attention to the quality and safety of all our products. To support clients wherever they may be, depots are strategically located in key cities to ensure unhampered service.

With our quality, customized products, pack formats, labels, and bulk sizes, we are able to position our food service products in the premium, high-quality segment. This is supported by relevant sales and trade marketing programs such as technical skills training in sales, channel-driven trade programs, account-specific programs, as well as continuous efforts to promote brand awareness and foster goodwill among trade partners.



Product Innovation, Design, and Lifecycle Management 417-1

In the span of four decades, CNPF has successfully built a portfolio of strong household brands. The journey has been characterized by a constant pursuit of customer delight and continuous market study—all done with the help of modern research and development techniques which skillfully meld both quantitative and qualitative inputs to minimize guesswork and come up with winning products.

Idea Creation

This is where the product innovation and design process starts as new product concepts are developed and then tested through focus group discussions initiated by our Marketing group. We maximize the use of existing or available raw materials and take advantage of their nutritional and sensorial properties.

Product Feasibility

At this point, we determine the manufacturing and financial feasibility of the product. Once found acceptable, the Company produces a prototype to concretize the concept and give a working sample of how the product will look, taste, and benefit the consumer.

Product Testing

This phase subjects the product to assessment and is an opportunity to further improve it based on feedback or suggestions gathered from structured research studies. The research methodologies used include sensory profiling, central location tests, home-use tests, and in-depth interviews.

Product Launching

This is the culminating step which ensures that marketing communication programs have been rolled out to introduce the product to potential customers, make them understand its benefits, and ultimately entice them to try our new product.

Our marketing and advertising materials are compliant with all advertising laws, as reviewed and approved by the Advertising Board under the Department of Trade and Industry.



Product Innovations

We rolled out various products that are fortified with vitamins and minerals.



555 Tuna fortified with Vitamin A



Argentina Corned Beef fortified with Zinc and Iron



Birch Tree Fortified with Inulin Fiber

We launched a healthier variant of Century Tuna with 50% less fat and 50% less salt.



Century Tuna Lite

We have a product that makes use of a sustainable fishing method called "handline" to avoid inadvertently catching juveniles and by-catch or other species. Moreover, in partnership with the World Wildlife Fund, PHP1.00 from the sale of each Century Tuna Handline product will support the development of a small-scale tuna sustainability program in the Philippines. For details, log on to wwf.org.ph.



Century Tuna Handline

Food Quality and Safety

102-11

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We aim to uphold food quality and safety at all times. While senior management has responsibility for the safety of our food products, the successful launches of product innovations and well-maintained food quality and safety are outcomes of the time invested by the Research and Development and Quality Assurance teams in technical training, proficiency testing, and raw material safety testing.

Our Quality Assurance teams ensure the high quality and safe handling of our food products, adhering to international standards such as the Philippine National Standard, Association of Official Agricultural Chemists, Compendium of Microbiological Criteria for Food, Codex Alimentarius, and ASTM International.

With our expanding global reach, we also comply with the international food safety labelling standards of the U.S., Canada, Europe, U.K., Australia, Japan, Russia, U.A.E., Saudi Arabia, and Israel. These are achieved through our robust quality assurance processes.

Regulatory Compliance

This is the process where permits are secured from various government agencies. Permits are revalidated annually, including our License to Operate, Product Registration, Import Permit, Export Permit, and Environmental Compliance Certificates.

Our food safety certifications are validated annually by local government agencies or third-party certifying bodies. Our products, including packaging marks, labels, and ingredients list, among others, adhere to the regulations of the Food and Drug Administration.

Raw Material Testing and Supplier Accreditation

This process refers to the testing and evaluation of ingredients and packaging materials to be used in production to ensure conformity to standards. Suppliers are also accredited to make sure that raw materials are consistently manufactured and delivered according to agreed specifications.

Production and Process Control

This procedure involves setting up a monitoring system for each phase of the production process, and establishing sampling frequency, time, temperature, testing procedure, and other control parameters.

Food Safety Audit

This subjects our plants, toll manufacturers, supply chain, and products to audit. Documented food safety plans and standards are reviewed and validated during the audit to ensure compliance with regulatory standards and buyer requirements.

Continuous Improvement

This drives product and process improvement based on the risks and issues found during the audit. Controls are set based on the identified risks and the updated quality standards.

The Research and Development team, on the other hand, assesses the functionality and taste of raw material inputs for production, making sure these are consistent with consumers’ tastes and standards. To enhance their competencies, the group undergoes seminars covering both technical and soft skills that would improve recipe innovation, alternative ingredients assessment, basic sensory, and management processes. Such trainings include ingredient-supplier-initiated in-house technical seminars, external technical seminars, competency seminars, webinars, competency development programs, and professional technical programs.

We also have a talent development program designed for our Research and Development specialists which follows a two-pronged approach. The first component aims to develop technical and leadership skills of managers primarily through continuing technical education and on-the-job project immersions in developing new products and product lines. Meanwhile, the second component seeks to identify high-potential technical specialists from our Research and Development, Manufacturing, and Quality Assurance functions to develop their technical skills towards becoming Research and Development practitioners. This involves partnering with a local university that will help design the special curriculum focusing on building proficiencies in chemistry and nutrition to support the organization towards developing healthier, affordable, and sustainable food products.

To ensure consistent adherence to product quality and standards, analysis is regularly conducted by the Research and Development group. This includes product trade audits through physical, chemical, sensory, and microbiological analysis.

We also regularly monitor our products’ brand health versus other industry players by looking at the perspective of consumers. This entails central location tests to get a sense of our products’ market performance as well as the perception of consumers towards the product.

Specifically for our milk business, we engage experts and consultants in food safety management systems to facilitate training and share best practices to our employees as part of their skills enhancement and competency development program aligned with Food Safety System Certification (FSSC) requirements. Our compliance with these standards allowed us to obtain FSSC certification in 2019, along with other international certifications which enabled us to produce for the U.S., Middle East, and European markets. Because of this, we have been recognized by “Food Safety Trends Magazine Philippines” as one of the local producers who practice exemplary food safety programs.

Moreover, we encourage and monitor consumer feedback and complaints which serve as inputs for quality assurance, especially product and process improvement as the most common concerns are on food quality. These are referred to the relevant department and promptly resolved through corrective measures and improvements. We also have a Traceability and Recall Program in place to further ensure product service safety.



Purchases Assessment

Supplier Credibility and Raw Materials Traceability 102-13

We look beyond the sustainability of our own company and further examine the sustainability efforts of our suppliers. Our procurement team takes care of ensuring suppliers are able to consistently provide us with high-quality raw materials, compliant with government regulations and accredited by international organizations.

At the moment, we are able to trace the origins of our major raw materials such as fish, meat, milk powder, and coconut back to the fishing ground or farm each main raw material was sourced from.

This 2020, we are formalizing and institutionalizing a Supplier Code of Conduct and Ethics for all raw material suppliers and service providers that will include the systematic assessment of their social performance during the procurement process, among others. All legally binding agreements will require compliance with the set social standards. We will internally audit our business partners accordingly annually thereafter to monitor their compliance with our supply chain standards and to address social supply chain issues, if any. We will also engage with non-conforming suppliers to reach compliance as needed.

To keep abreast with changes in supply chain issues, we will engage with various stakeholders and amend our Supplier Code of Conduct and Ethics when necessary. Such stakeholders include our own employees who are able to elevate supply chain concerns through formal channels.

Also this 2020, the role of our Board's Corporate Governance Committee will be expanded to include ESG matters, establishing board-level responsibility for supply chain management.

Tuna

We diligently comply with international regulations pertaining to conservation measures. As part of our commitment to sustainable sourcing, we are subject to various audits by accredited firms. We also work closely with a number of organizations such as:

- British Retail Consortium (BRC)
- Bureau of Fisheries and Aquatic Resources (BFAR)
- Business Social Compliance Initiative (BSCI)
- Earth Island Institute (EII) / Dolphin Safe Tuna
- International Food Standard (IFS)
- International Seafood Sustainability Foundation (ISSF) / International Seafood Sustainability Association (ISSA)
- Marine Stewardship Council (MSC)
- Regional Fisheries Management Organization (RFMO)
- Sedex Members Ethical Trade Audit (SMETA)
- Western and Central Pacific Fisheries Commission
- World Wildlife Fund (WWF)

CNPF is a member of the ISSF and sits on the ISSF board through General Tuna Corporation, its wholly-owned subsidiary. The ISSF engages MRAG Americas to conduct annual audits, evaluating strict compliance with all its conservation measures and commitments made since 2015. Based on the 2019 audit results, we are fully compliant with all 21 applicable ISSF conservation measures which include the following:

1. Tuna Regional Fisheries Management

Organizations (RFMO) Authorized Vessel Record

All purchases must be from vessels listed on the authorized vessel record of the RFMO governing the ocean area in which the tuna was caught, at the time of the fishing trip, so long as the vessel is of a size subject to listing in the RFMO authorized vessel record.

2. RFMO Participation

All purchases must be from vessels flagged to a member or cooperating non-member of RFMO relevant to fishing area.

3. Product Traceability

Demonstrate ability to trace products from can code or sales invoice to vessel and trip.

4. Quarterly Data Submission to RFMO

Send quarterly information to RFMO scientific bodies on the last day of the immediately following calendar quarter.

5. Shark-Finning Policy

Company establishes and publishes policy prohibiting shark finning.

6. Prohibition of Transactions with Shark-Finning Vessels

Refrain from transactions with vessels that have shark finned within two years of the product purchase date.

7. Prohibition of Transactions with Companies without a Public Policy Prohibiting Shark Finning

No transactions with companies that do not have a public policy prohibiting shark finning.

8. Large-Scale Pelagic Driftnets Prohibition

No transactions in vessels using large-scale pelagic driftnets.

9. Full Retention of Tunas

All purse seine caught tuna retained onboard, except those unfit for human consumption as defined, or when in the final set of a trip, there is insufficient well space to accommodate all fish caught in that set.

10. Skipper Best Practices

Unless exempt, skipper has attended an ISSF Skippers Workshop in person, has viewed the Skippers Workshop video online, or has reviewed the Skippers Guidebook.

11. Transactions with Vessels that Use Only Non-Entangling Fish Aggregating Devices (FADs)

Processors, traders, importers, transporters, marketers and others involved in the seafood industry shall conduct transactions only with those purse seine vessels whose owners have a public policy regarding the use of only non-entangling (NE) FADs.

12. Unique Vessel Identifiers (UVI) – International Maritime Organization (IMO)

All purchases must be from vessels with an IMO UVI number if the vessel is capable of being registered by IMO.

13. Purse Seine Unique Vessel Identifiers

All purse seine vessels with which the company transacts in tuna, and which are not able to receive an IMO UVI number, must have a TUVI issued by CLAV or ISSF.

14. Observer Coverage

Evidence of 100% observer coverage (human or electronic) on large-scale purse seine vessels unless exempt or prevented by force majeure.

15. Transshipments

Unless exempt, no transactions in tuna where transportation included transshipment.

16. Illegal, Unreported and Unregulated (IUU) Fishing

No transactions with vessels on any tuna RFMO IUU vessel list.

17. Illegal, Unreported and Unregulated (IUU) Product Response

No IUU purchases. If IUU found, company must withdraw these products from the marketplace.

18. Transaction Ban for Large-Scale Purse-Seine Vessels not Actively Fishing for Tuna as of December 31, 2012

Demonstrate that all purchases of large-scale purse seine vessels are from vessels actively fishing for tuna as of December 31, 2012 and listed on the ISSF Record of Large-Scale Purse Seine Vessels.

19. Purchases from Purse Seine Vessels in Fleets with Other Vessels Not in Compliance with ISSF Conservation Measures 6.1 and 6.2(a)

Processors, traders, importers, transporters, marketers, and others involved in the seafood industry shall refrain from transactions in skipjack, bigeye, and yellowfin tuna caught by any and all large-scale purse seine vessels owned by business organizations or individuals that also own large-scale purse seine vessels not in compliance with ISSF Conservation Measures 6.1 and 6.2(a).

20. Registration of Controlled Vessels

Register all controlled purse seine vessels on the PVR.

21. Purchases from PVR Vessels

For fishing trips beginning on or after January 1, 2016, source 100% of skipjack, yellowfin and bigeye tuna caught by large-scale purse seine vessels from vessels registered in the PVR.

The Company's full compliance audit results as reported by MRAG are available on the ISSF website (<http://issf-foundation.org/>) and on CNPF's website (<http://www.centurypacific.com.ph/>).

As compliance entails strict adherence to certain raw material sourcing practices, our tuna suppliers are likewise accredited or fully compliant with standards mandated by government agencies as well as trade and industry organizations.

Our commitment is further reflected in our participation in the Global Tuna Alliance, a market-led initiative to deliver sustainable tuna, which formed the Tuna Traceability Declaration 2020 in support of the U.N. Sustainable Development Goal 14: Life Below Water.

In 2020, we expressed our intent to adopt the Global Dialogue on Seafood Traceability standards. The Global Dialogue is an international, business-to-business platform open to companies engaged in the seafood supply chain, along with invited technical experts and partner non-governmental organizations. It has issued the first-ever global standards for end-to-end seafood traceability, providing guidance on which information to monitor beginning from point of origin all the way to point of sale, and which digital formats to adopt for information sharing. The establishment of these standards is a momentous step for the industry as it strives for high standards with regard to ethical sourcing and combats illegal fishing and unethical labor practices.

We also support the use of sustainable fishing methods. For our Century Tuna Handline product, we employ a sustainable fishing method that eliminates by-catch and juveniles, contributing to the conservation of marine life. This product is supported by WWF Philippines which encourages the development of small-scale tuna fishing sustainability programs. Apart from tuna, CNPF also offers Century Bangus (milkfish), a farm-cultured marine product which is a healthy seafood alternative that reduces the load on wild-caught fish stocks.

**Sardines**

To further enhance the competitiveness of our sardines business, we upgraded our guidelines, specifications, and standards to conform with international requirements. As a result, the Company has been able to comply with the Hazard Analysis and Critical Control Points (HACCP) and the British Retail Consortium (BRC).

Meat

All our meat inputs are purchased from accredited international sources who produce according to standards approved for export to the U.S. and European Union. Meat imported from the U.S. follows the Federal Meat Inspection Act and passes through mandatory federal inspection by the Food Safety Inspection Service of the U.S. Department of Agriculture, while meat from Europe are governed by the European Food Safety Authority. These have been in place since the beginning of our meat operations.

**Milk**

We have obtained the Food Safety System Certification (FSSC), as well as the USFDA certification to export to the U.S. We are also compliant with the standards of the Philippine Bureau of Food and Drug's Hazard Analysis and Critical Control Points (HACCP) and the International Organization for Standardization (ISO).

Our raw material sourcing process is aligned with the latest developments and practices in the dairy industry, with heightened focus on quality and safety to include sustainability.

Coconut

We adhere to the following international standards: European Organic Standard (EOS), National Organic Program (NOP), Japan Agricultural Standard (JAS), and Korean Standard (KONKUK).

Our processes are aligned with the Sedex Members Ethical Trade Audit (SMETA) global standards for responsible and ethical sourcing, health, safety, and welfare of workers, as well as environment management. We likewise fulfill the requirements of the U.S. FDA Voluntary Qualified Importer Program in our raw material sourcing, and receive third-party certification from the Ecocert Group.

As we also produce organic products, we conform with stricter standards to ensure we are organic-certified, following international standards regarding farming practices and raw material storage. We provide incentives to our farmers and traders for their efforts in complying with the more stringent organic standards.



| Summary of Raw Material Traceability Levels | | |
|---|---|---------------------------|
| | ITEM SUPPLIED | LEVEL OF TRACEABILITY |
| Main Raw Materials | FISH (Yellowfin, Skipjack, Tamban, Mackerel) | Back to fishing grounds |
| | MEAT | Back to farm |
| | MILK POWDER (Buttermilk Powder, Skim Milk, Fortified Milk) | Back to farm |
| | COCONUT | Back to farm |
| Other Raw Materials | Oil | Back to country of origin |
| | STRD | Back to manufacturer |
| | Tomato Paste | Back to country of origin |
| | Fructose | Back to country of origin |
| | Organic Sugar | Back to country of origin |
| | Ascorbic Acid | Back to country of origin |
| | Salt | Back to country of origin |
| | Non-Dairy Creamer (CS) | Back to manufacturer |
| | Palm Olein | Back to manufacturer |



Planet Preservation



We commit to formalizing an environmental management system to support our goal of utilizing natural resources, such as energy and water, more efficiently and reducing our emissions and waste generation.

All our manufacturing facilities are compliant with applicable environmental regulations. We regularly conduct internal environmental audits to ensure this compliance. Similarly, our manufacturing facilities are subject to annual external environmental audits by the Department of Environment and Natural Resources.

If needed, corrective actions are immediately implemented for continuous compliance with environmental regulations. We also regularly study and examine the means by which we can further improve our environmental management system and our use of various environmental resources. These include training and awareness programs for our employees as well as the necessary communications to address any environmental management issues.

Senior management, more specifically our plant business unit heads, hold responsibility for these environmental issues. A governance structure is also in place at the plant level, with assigned roles and responsibilities, to ensure that environmental issues or concerns are addressed.

To stay abreast of environmental issues, we will consult with stakeholders regularly and take action when material environmental concerns arise. We will also work on increasing the environmental awareness of our stakeholders for the benefit of the communities, the Company, and the planet.

We will keep stakeholders updated on our environmental performance as well as on developments regarding environmental issues through our succeeding sustainability reports which will be published annually.

We are working towards formalizing these commitments via an environmental policy to be approved by senior management as we aim to successfully manage our impact to the environment.



Natural Resource Efficiency

CNPF strives to improve its efficiency in utilizing resources by adopting industry best practices in energy and water management as well as closely monitoring usage to ensure we are attending to our sustainability commitments while fulfilling business requirements.

To keep our production plants running, the Company uses steam generated from bituminous coal and purchased electricity, while back-up generators are fueled by diesel. In 2019, we were able to decrease our total energy consumption primarily through lower coal and diesel usage.

Various power-saving initiatives have been implemented in our tuna plant to achieve higher energy efficiency such as shifting 100% to LED lights, upgrading to more productive systems, and using equipment and machinery with the same output requirements but lower power rating. Moreover, we now source more efficient coal, requiring less volume to sustain operations.

Our coconut business has likewise made strides in reducing its energy consumption. Similarly, it is in the process of completely converting to LED lights, installing upgrades to equipment, and altering or automating operational procedures to lessen our energy consumption.

Meanwhile, initiatives aimed at reducing power consumption at the Head Office were spearheaded by the Information Technology department. These include consolidation of servers which effectively reduced electricity maintenance,

| | | |
|-------|-------|-------|
| 302-1 | 302-2 | 302-3 |
| 302-4 | 302-5 | 305-3 |

overall heat dissipation, and cooling requirements as well as installation of energy-efficient cooling systems running on Variable Refrigerant Volume technology.

Water, on the other hand, is used in our factories primarily as input to our product sauces and liquefied products, as well as to generate steam to power our operations.

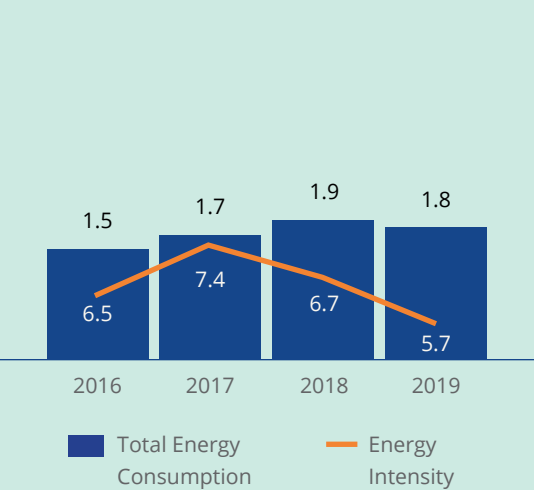
For our tuna business, a substantial amount of water is utilized in thawing fish. We have begun reusing water for this process and estimate a 20% to 30% reduction in water usage for the thawing area.

Meanwhile, our sardines business has reduced the consumption of purchased district water by utilizing deep well water instead and processing it through our reverse osmosis system. This is then used for products, boilers, washing, equipment maintenance, and drinking needs.

Our coconut plant is also implementing ways to recycle used water for the cleaning of equipment rather than disposing it or utilizing new water supply. On top of this, we are working on improving our condensate water recovery system which would aid in lowering our water usage.

We will continue to look for ways to reduce our water consumption in our operations, especially fresh water, and will set appropriate targets to work on in the next few years.

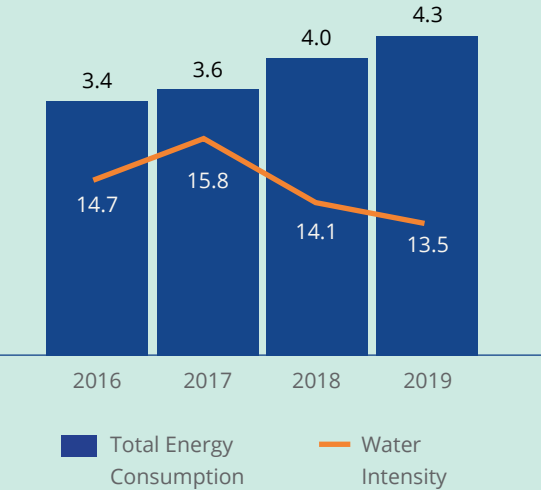
Energy Consumption and Energy Intensity of CNPF Plants¹



The total energy consumption across all our plants decreased by 5% in 2019. Our energy intensity, an efficiency metric measuring how much energy we consumed for every tonnage of products produced, consequently went down by 14%.

¹ Energy consumption is in million gigajoules, while energy intensity is in gigajoules per ton product. Figures have been restated from our first sustainability report as we continue to assess our data collection process to more accurately present our performance.

Water Consumption and Water Intensity of CNPF Plants²



In 2019, our water consumption increased by 6% due to higher operational requirements. Nonetheless, our water intensity improved by 4% as we consumed less water for every tonnage of product we manufactured.

² Water consumption is in million cubic meters, while water intensity is in cubic meters per ton product. Figures have been restated from our first sustainability report as we continue to assess our data collection process to more accurately present our performance.



Environmental Impact Management

301-3 305-1 305-2 305-4 305-5

We manage our use of natural resources to control the impact of our operations on the environment. This includes the resulting greenhouse gas (GHG) generated by the energy we utilize. The fuel that we directly burn in our manufacturing facilities represents our Scope 1 emissions, while the electricity we use to light up our facilities and offices refers to our Scope 2 emissions.

We are looking at renewable energy to help limit our greenhouse gas emissions. Our tuna business already began to harness renewable energy through solar panels, generating part of our electricity requirements and consequently avoiding carbon dioxide emissions. The Company is now in the process of increasing the capacity of this pilot project by sixty times to partially cover the electricity requirements of all our plants in General Santos while continuously exploring other forms of renewable energy as well.

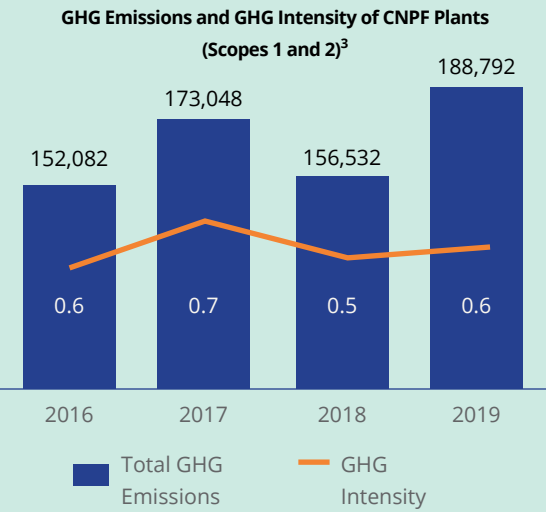
As greenhouse gas can also come from wasted food production, we strive to minimize food waste in our operations by fully utilizing the raw materials used in our tuna, sardines, and coconut production lines.

The fish waste from our tuna and sardines business segments, consisting of heads, tails, and innards which are not included in the final product, are further processed into commercially sold fish meal which pass customer standards. This process also enables us to salvage the protein from these fish parts which otherwise would have been wasted. By prudently

upgrading our equipment, the Company has been able to improve its rate of fish meal recovery over the years.

Our coconut business segment likewise exhausts all possible uses of coconuts. We have diversified our product lineup from coconut water, also utilizing coconut meat to manufacture virgin coconut oil, desiccated coconut flour, coconut milk, and coconut cream. The remaining coconut shells are sold to third-party buyers and processed into copra, and can also be used as alternative fuel to coal.

While we sustain our efforts in managing our food waste, we are looking for more ways to reduce our non-food waste, especially those that would contribute in addressing the worsening plastic waste problem in the Philippines and around the world. Committed to doing our part, we partnered with Republic Cement in May 2019 to co-process non-specific, recovered post-consumer plastic waste with the goal of becoming plastic neutral. Co-processing converts these plastic wastes into energy, replacing coal as alternative fuel in cement production. It uses heat to destroy and recover any thermal or mineral properties of waste materials so that these can be used in cement processing in a single, combined operation. At a very high temperature of 1,450°C, co-processed waste leaves zero residue. This also results in less carbon dioxide emissions that are detrimental to the environment. From this partnership, Republic Cement was able to displace 2,248 metric tons of fossil fuel, while CNPF was able to achieve its first year of being 100% plastic neutral in January 2020.



In 2019, our total Scope 1 and 2 emissions increased by 21%, with our GHG intensity slightly up.

³ Standards used for the computation are based on the GHG Protocol Corporate Protocol and Reporting Standard. Location-based grid emission factors are based on the Philippine Department of Energy. The gases reported include carbon dioxide, methane, and nitrous oxide. GHG emission is in tons CO₂e, while GHG intensity is in ton of carbon emitted per ton product. Figures have been restated from our first sustainability report as we continue to assess our data collection process to more accurately present our performance.

325,357
kilowatt hours of
electricity generated
through solar power

By utilizing renewable energy, we have been able to avoid about 254 tonnes of carbon dioxide emissions.

18 million
kilograms of fish
meal sold

Around 10 million kilograms of protein was recovered from processing our tuna and sardines fish meal.

1
year plastic
neutral



Overall, we are taking steps to minimize our non-food waste across the board by categorizing and measuring them. Tin cans, glass bottles, metal lids, plastic canisters, and lids can be sold as scrap for recycling. We partner with our suppliers to sell obsolete stocks of paper labels, case labels, and inner cartons to paper mills to be used as scratch paper. We also work closely with our suppliers on the recyclability of flexibles, pouches, polybags, and laminates, and evaluate them for possible down gauging, waste management, and co-processing or upcycling. Lastly, our Research and Development team has employed measures to increase the concentration of our ingredients in an effort to utilize less packaging such as polyethylene bags and stretch wrap.

The different parts of the company likewise have their respective initiatives on reducing non-food waste.

At the head office, we are focusing on transferring our workflow to a new platform that will allow more automation and electronic processing. We also plan to conduct a comprehensive waste audit to ensure proper waste segregation and traceability.

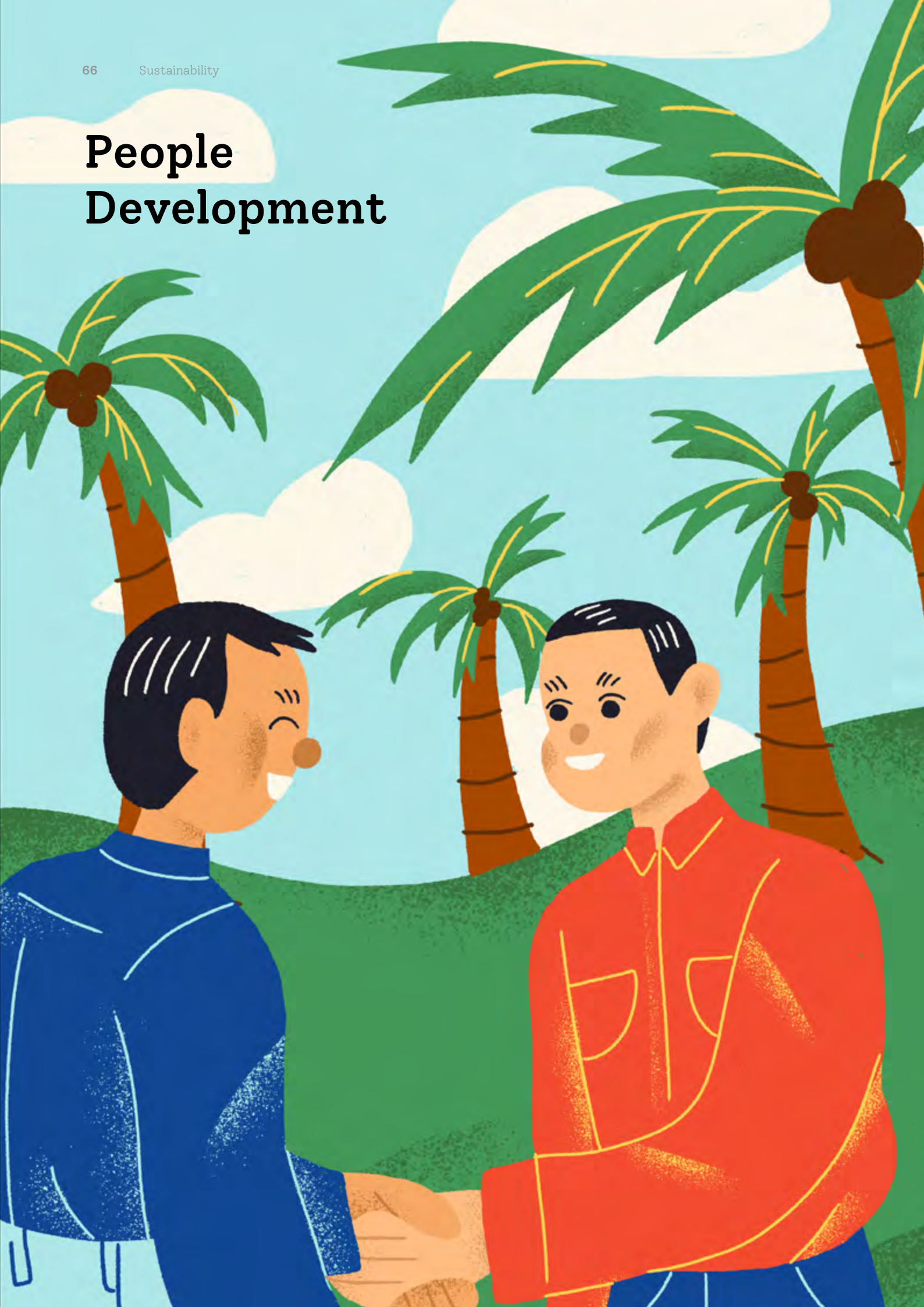
For our tuna business, we are looking into lessening our shrink wrap consumption. We also do metal baling for tin waste and are able to sell these to scrap companies.

Our sardines business also recycles materials like stainless steel pipes and channels to fabricate equipment or tools for plant operations. We have also forged a partnership with a third-party to transform our waste from coal ash into construction hollow blocks that pass structural standards.

Our milk business, on the other hand, partnered with Taguig Integrated School to provide assistance to livelihood projects by giving foil materials to different alternative learning system centers. Inmates of the Taguig City Jail are taught how to weave empty foil pouches that are no longer in use into wallets, purses, and bags. The finished products are then sold, and the proceeds are given back to the inmates as financial support for their families. Foils are also used as banderitas and costumes during school activities and fiestas in Taguig.



People Development



Diversity and Inclusion

102-8

203-2

405-1

411-1

The Company ingrains diversity and inclusion throughout the organization. Our Human Resources department plays the lead role in ensuring this through our hiring process which places a premium on the skills and potential of applicants and does not discriminate based on ethnicity, religion, or gender.

We also help support nearby communities by creating job opportunities for local residents in proximity to our plants in General Santos, Zamboanga, Laguna, and Taguig.

Our Job Caravan Program in General Santos aims to help indigenous people in particular, augmenting their income by providing job opportunities. In cooperation with the tribes, local government, as well as the Philippine Employment Services Office, the program has mobilized six major recruitment hubs catering to tribal communities in various districts and municipalities. Job fairs are organized in communities where indigenous tribes reside, while technical skills and capability-building training sessions are provided. As a result, workers that have been hired through this program are now better able to support their families.

Meanwhile, our tuna business is celebrating diversity and promoting inclusion by actively underscoring the positive contributions our LGBTQ+ employees bring into the organization. We encourage self-expression and provide platforms and activities that further enable this across the business.

Our Human Resources team has managerial responsibility for diversity initiatives. We aim to create more opportunities for employees to learn and embrace diversity in our workplace via networking groups, training and guidance, as well as mentorship programs, and to regularly monitor our progress with regard to diversity.



14,549
jobs supported

This number includes permanent CNPF employees, permanent employees under our sub-companies and affiliate companies, indirect hires, interns, and employees of suppliers whose operations rely primarily on us.

42%
of CNPF employees
are female

The ratio between our male and female employees for 2019 remains at around 3:2. The average age of our workforce continues to go down, as 52% of our employees are under 30 years of age. Our rank-and-file employees make up the biggest chunk of our employee population at 70% in 2019, while the rest are supervisors, section managers, department managers, and executives.

81%
of plant employees
come from the areas
where we operate

In General Santos City, where our tuna and coconut manufacturing plants are located, 84% of employees are local hires. Our sardines plant in Zamboanga City has the highest rate of local hires at 91%. In our meat plant in Laguna, local hires are at 79%; while our milk plant in Taguig City has a local hiring percentage of 38%.

2,862
indigenous workers
supported

Professional and Personal Growth

404-1 404-2

As we regard our employees as partners in growing the business, we invest considerably in promoting their professional and personal growth. Apart from providing fair compensation and benefits, the Company offers opportunities for skills training, job enrichment, and career advancement while at the same time fostering work-life balance across the organization.

CNPF strives to be results-driven, promoting merit or rewards based on excellence and exemplary performance. As such, we have established policies that utilize a salary review system based on employee performance level as well as their contribution to the business.

While we set ambitious goals for the Company, we correspondingly empower our employees to achieve targets through skills enhancement complemented by continuous on-the-job coaching.

Operating in a labor-intensive industry, it is important to provide our supervisors and section managers with seminars and workshops that focus on employee and labor relations. We aim to equip and improve the knowledge, skills, attitude, and habits of our supervisors and section managers in detecting, identifying, recording, reporting, and addressing minor work-related issues as well as in mitigating these to prevent them from escalating into major problems.

To support business goals, strategies, and business sustainability, we have an Executive Succession Management Program in place designed to develop and retain talents who may take on

key senior management roles in the next three to five years. The first phase involves identifying potential successors from the organization's existing talent pool through competency- and values-based assessments. An Individual Development Plan is then designed for each candidate based on their identified areas for development and implemented through a combination of formal training, social learning, and experiential learning to develop the competencies required by the roles they may assume in the future. The program is capped with a comprehensive competency assessment and performance evaluation to determine the readiness of the identified potential successors along with the preparation of final recommendations that can be acted upon by the Executive Committee.

Our coconut plant, in particular, has its own program that focuses on our people's growth. As we enable our high-potential rank-and-file employees to move up the ladder, it is as important that we ensure their success in their supervisory roles. We aim to develop competent, motivated, and engaged leaders and as such have created a competency framework to allow for a long-term and sustainable talent development program. Together with various experts, we facilitated training sessions for high-potential talents to eliminate competency gaps in communication skills, technical expertise, process discipline, collaboration, leadership, and problem solving. In addition, our Cadetship Program has completed three batches that have produced talents who currently hold key supervisory positions.

Apart from formal training programs, the Company offers alternative avenues for knowledge and skills enhancement

to help prepare our employees for greater roles and responsibilities. We encourage interdepartmental teams to collaborate and propose innovative strategies and solutions for the company, widening their cross-functional and overall business perspective as well as tapping their creativity and problem-solving skills. Moreover, CNPF maximizes the benefits of modern technology through its Century Learn Hub, an online learning platform containing resources on various topics starting from employee onboarding modules to daily learning (computer shortcuts, vocabulary, company trivia), leadership insights, micro learning modules on soft skills, and external courses. Employees are also given the opportunity to participate in relevant events and meetings, and are encouraged to conduct echo sessions with their colleagues to share key learning and insights.



32,844
training hours

This is more than double the hours provided in 2018.

PHP8.8 million

investment for employee training

Our investment for employee training almost tripled year-on-year.

47%
of total training hours given to women

We are taking efforts in providing equal training exposure and opportunities for both genders.

27
average formal training hours for section managers and supervisors

Our Section Managers and Supervisors got the most formal training in 2019 with an average of 27 hours, almost double from the previous year. Our Executives, Department managers, and Rank-and-File employees each got an average of 21, 23, and 6 training hours respectively.

3%
of total employee population promoted to a higher rank

Movements from the Rank-and-File level to Section Managers and Supervisors continue to make up the bulk, comprising 49% of total employee promotions. This group received the most training hours for the year to learn how to manage and lead people as well as prepare them for higher positions.



Workplace Safety

CNPF is committed to ensuring the safety of its employees by protecting them from potential safety and health risks and hazards in the workplace. Safety measures are strictly enforced in all operating plants. Accidents are prevented or minimized through strict compliance with safety procedures, while contingency measures are in place to immediately address potential incidents. We continuously create a safety-oriented culture and develop a mindset that workplace safety is not just needed for compliance but ultimately for building a sustainable business.

Our coconut team in particular uses a Safety Pyramid as a guide in monitoring its factory safety performance. We also piloted the Safety Behavioral Observation Program across the plant to highlight safety practices and correct unsafe behavior in the workplace. We strictly implement safety best practices, diligently using personal protective equipment, installing machine guards, implementing the “lock out, tag out” system, facilitating daily safety toolbox, and following safety practices based on the Occupational Safety and Health standards as well as the SMETA Standards, whose audit we passed in 2019 with no major findings for workplace safety.

Similarly, safety measures are also applied in our other business plants.

To protect our employees through data privacy, our Information Technology department has executed initiatives to safeguard their personal information. Employee Information Security Policies and Procedures are in place to effectively mitigate any attempt of data breach. Our PC disk encryption system further secures personal data stored on employee desktops and laptops.

With regard to employee awareness on the matter, the Information Technology team regularly disseminates email reminders on the Company's data privacy policies and guidelines, as well as conducts social engineering exercises to assess and decrease employees' susceptibility to online fraud or manipulation.

Accountability is shared with the Company's department heads to ensure proper implementation of its codified privacy and data protection protocols throughout the organization.

Confidential company information and business data such as product recipes are likewise covered by the information security policies and procedures instituted by the Information Technology department.



Community Development

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Through its affiliate company—the CPG-RSPo Foundation—CNPF is able to address some of the Philippines' major socio-economic problems such as hunger and malnutrition, lack of education, and environmental degradation.

The “KAIN Po” (“Let’s Eat Please”) program has been launching feeding programs in impoverished districts and provinces across the country since its beginnings in 2010. It primarily aims to improve the nutritional intake of students in the community, subsequently improving their health and increasing their energy and motivation to attend and actively participate in school. The program targets communities where there is limited access to affordable yet nutritious food, areas with a high concentration of impoverished families, and public schools with low enrolment or high incidences of student absenteeism. We enlist the participation of school principals and school heads to invite parents and other volunteers who are, in turn, trained in proper food handling and sanitation. These protein-packed lunch meals are prepared and provided daily to children in school. The “KAIN Po” program also reaches children on the streets and in other partner-organizations as it extends beyond schools to include the larger community as well.

As the Philippines is prone to natural disasters, CNPF has always been one of the first responders to calls for relief operations, mobilizing our expertise, capabilities, and community resources to assist with recovery efforts. Partnering with Caritas Manila, University of Asia and the Pacific, Couples for Christ Foundation for Family and Life, Gawad Kalinga, Philippine Red Cross, and Department of Education, we have donated our ready-to-eat and easy-open canned products to families affected by the Battle of Marawi, North Cotabato earthquake, Taal Volcano eruption, and Typhoon Yolanda, among others. The support we provide also includes employee volunteerism and in-kind products and services to help impacted communities recover. Our business units likewise respond to disaster relief efforts by delivering meals, food packs, and critical relief supplies, helping thousands of families rebuild their homes and communities.

Apart from efforts with the Foundation, our business units likewise have their respective initiatives that aim to contribute to community development.



KAIN Po Program 2019 Highlights

PHP8.1 million
worth of CNPF
products donated

5.1 million
meals provided

175,194
children fed

150
partner schools

120
students sent
to school for the
academic year
2019–2020

250,000+
cans donated to
disaster-stricken
communities



Our tuna business provides assistance to its plant workers in getting enough nutritious food that will result in better productivity and consistently good disposition at work. We are able to do this through our plant store where workers can purchase our products at lower prices. The business also participates in the Linksfarm Project which enables local farmers to sell their produce directly to merchant users. Through this, we are able to source our vegetable requirements locally while enabling local farmers to earn more through reduced transportation costs.

Our meat business, on the other hand, focused on providing affordable protein sources to poor Filipino families in the Visayas and Mindanao regions. In 2019, we introduced two new variants under the Wow! Ulam brand, namely Pochero and Humba. These were launched and well-received in various provinces as an affordable source of protein for the class D and E households.

Meanwhile, our coconut business supports the local coconut farming community in increasing its harvest productivity and encourages continuous planting which consequently ensure our steady supply of coconuts. We provide coconut seedlings to farmers for free, with 20,000 seedlings distributed since 2015. The business also introduces good agricultural practices such as proper organic and salt fertilization, encourages the practice of organic intercropping, and participates in tree planting activities. Through this initiative, we have engaged ten direct farm suppliers and are setting up buying stations where farmers can directly bring their produce for our consumption.

Lastly, our food service business has engaged with the Armed Forces of the Philippines and will provide filling yet convenient ready-to-eat meals, using our products, for soldiers in 2020 and 2021. We also partnered with a local supermarket in support of their project that aims to promote health and wellness and provide livelihood and employment opportunities to its participants. The initiative mounts several activities that include job fairs to enable community members to gain employment, financial wellness and livelihood seminars to equip them with skills to start and manage their own small business, cooking classes and cook fests to teach mothers how to prepare nutritious food using affordable ingredients, and a Superbods Zumba Dance Craze to promote wellness.

For more details on the Company's efforts in light of the COVID-19 crisis, see the #TheFilipinoCan section of this Sustainability and Annual Report.





Governance

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Our Board of Directors

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Ricardo S. Po, Sr.

Founder & Chairman Emeritus

Ricardo S. Po, Sr. is the Founder and Chairman Emeritus of Century Pacific Food, Inc. (CNPF). A self-made entrepreneur, he started his professional career as a journalist then moved on to advertising where he started and managed Cathay Promotions Advertising Co. and later became a stock broker. He founded CNPF in 1978 and grew it to become one of the largest branded food companies in the Philippines. He was awarded a Masters in Business Administration by the University of Santo Tomas in 2006. He is the father of Ricardo Gabriel T. Po, Jr., Teodoro Alexander T. Po, Christopher T. Po, and Leonardo Arthur T. Po.



Christopher T. Po

Executive Chairman

Christopher T. Po was re-elected as the Company's Executive Chairman on July 1, 2019. He concurrently serves as the Chairman of Shakey's Pizza Asia Ventures, Inc. (PIZZA) and as a Director of Arthaland Corporation (ALCO), a property developer listed on the PSE. Prior to those roles, he was Managing Director for Guggenheim Partners, a U.S. financial services firm where he was in charge of the firm's Hong Kong office. Previously, he was a Management Consultant at McKinsey and Company working with companies in the Asian region. He also worked as the Head of Corporate Planning for JG Summit Holdings, a Philippine-based conglomerate with interests in food, real estate, telecom, airlines, and retail. He graduated summa cum laude from the Wharton School and College of Engineering of the University of Pennsylvania with dual degrees in Economics (finance concentration) and applied science (systems engineering) in 1991. He holds a Master degree in Business Administration from the Harvard University Graduate School of Business Administration. He is a member of the Board of Trustees of the Ateneo de Manila University as well as a member of the Board of Asia Society Philippines, and he is the President of the CPG-RSPo Foundation.



Teodoro Alexander T. Po

Vice Chairman, President & CEO

Teodoro Alexander T. Po was re-elected as the Company's Vice Chairman, President, and Chief Executive Officer on July 1, 2019. He concurrently serves as a Vice Chairman of PIZZA. Since 1990, he has held various positions in CNPF. He graduated summa cum laude from Boston University with a Bachelor of Science degree in Manufacturing Engineering in 1990. He also completed the Executive Education Program (Owner-President Management Program) at Harvard Business School.



Ricardo Gabriel T. Po, Jr.

Vice Chairman

Ricardo Gabriel T. Po, Jr. was re-elected as the Company's Vice Chairman on July 1, 2019. He concurrently serves as a Vice Chairman of PIZZA and as a Vice Chairman of ALCO. He was the Executive Vice President and Chief Operations Officer of CNPF from 1990 to 2006 and became the Vice Chairman of its Board of Directors in 2006. He graduated magna cum laude from Boston University with a Bachelor of Science degree in Business Management in 1990. He also completed the Executive Education Program (Owner-President Management Program) at Harvard Business School in 2000.

- Audit Committee Member
- Board Risk Oversight Committee Member
- Related Party Transactions Committee Member



Leonardo Arthur T. Po

Director & Treasurer

Leonardo Arthur T. Po was re-elected as the Company's Director and Treasurer on July 1, 2019. He concurrently serves as the Director and Treasurer of PIZZA and as the Director, Executive Vice President, and Treasurer of ALCO. He graduated magna cum laude from Boston University with a degree in Business Administration and has extensive and solid business development experience in consumer marketing, finance and operations of fast-moving consumer goods (FMCG), foodservice, quick-service restaurants, and real estate development.



Eileen Grace Z. Araneta

Director

Eileen Grace Zshornack-Araneta was re-elected as the Company's Director on July 1, 2019. She concurrently serves as a Director of PIZZA and as a consultant for brand and communications strategy to both multinational and local clients. Her professional experience spans 25 years as a marketing and advertising practitioner, having held senior positions at Unilever Philippines and J. Walter Thompson. At Unilever, she occupied a Southeast Asia regional post as Vice President of Brand Development for Knorr. Prior to this, she was Managing Director for Unilever Foods Philippines handling the Knorr, Lady's Choice, Best Foods, and Lipton brands. She was also Marketing Director for the personal care division with an extensive portfolio of brands such as Sunsilk, Cream Silk, Rexona, Pond's, Dove, Close Up, and Vaseline. Through her involvement with a wide range of brands, she has built up deep expertise in category strategy, consumer insight mining, and brand and advertising development. She is a graduate of the University of the Philippines where she finished her Bachelor of Science degree in Business Economics as magna cum laude.

- Board Risk Oversight Committee Chairperson



Fernan Victor P. Lukban
Lead Independent Director

Fernan Victor P. Lukban was re-elected as the Company's Lead Independent Director on July 1, 2019. He concurrently serves as the Lead Independent Director of PIZZA, as an Independent Director of ALCO, and as a Director of Central Azucarera de Tarlac, Inc. (CAT). He is a highly regarded consultant in family business, strategy, entrepreneurship, and governance. He is active in Base of the Pyramid initiatives all over the Philippines and helps professionalize Boards throughout the country. He holds undergraduate degrees in engineering (Industrial Management - Mechanical from De La Salle University, Manila) and graduate degrees in economics (MSc in Industrial Economics from the Center for Research and Communication, now University of Asia and the Pacific) and in business (MBA from IESE Barcelona, Spain). He spent much of his early professional years in academia, helping establish the University of Asia and the Pacific where he currently participates as a consultant, mentor, and guest lecturer. He is a founding fellow of the Institute of Corporate Directors.

- Audit Committee Chairperson
- Board Risk Oversight Committee Member
- Corporate Governance Committee Member
- Related Party Transactions Committee Member



Johnip G. Cua
Independent Director

Johnip G. Cua was re-elected as the Company's Independent Director on July 1, 2019. He concurrently serves as the Chairman of Xavier School, Inc., as the Chairman and President of Taibrews Corporation, and as a Director of various corporations including BDO Private Bank, PAL Holdings, Inc., MacroAsia Corporation, LT Group, Inc., and Eton Properties Philippines, Inc., among others. He has extensive experience in the consumer goods and marketing industries, having served as President and General Manager of Procter & Gamble Philippines from 1995 to 2006. Prior to this, he held a number of positions at Procter & Gamble, including Manager of Product Development and Project Supply at Procter & Gamble Taiwan and Category Manager of Procter & Gamble Philippines. He has received a number of awards, including the Agora Awards' Outstanding Achievement in Marketing Management (1998) and Procter & Gamble Global Marketing Organization's Passionate Leadership Award (2006). He holds a Bachelor of Science degree in Chemical Engineering from the University of the Philippines.

- Corporate Governance Committee Chairperson
- Related Party Transactions Committee Chairperson



Frances J. Yu
Independent Director

Frances J. Yu was re-elected as the Company's Independent Director on July 1, 2019. She concurrently serves as an Independent Director of PIZZA. She was previously the Chief Retail Strategist of Mansmith and Fielders, Inc., the largest marketing and sales training company in the Philippines. Prior to this, she was the Vice President and Business Unit Head of Rustan's Supermarket and the Vice President and Head of Marketing Operations for Rustan's Supercenters, Inc. She founded FJY Consulting, Inc., a corporate marketing and management consulting company which she managed as President. She was also the Vice President and General Manager of a marketing research and consulting firm catering to the top 500 corporations in several sectors. From 2003 to 2005, she served as the Chairperson for the National Retail Conference and Stores Asia Expo (NRCE) Programs Committee of the Philippine Retailers Association. She graduated summa cum laude from Fordham University, New York with a Bachelor of Arts degree in English Literature.

- Audit Committee Member
- Corporate Governance Committee Member

Leaders of the Organization



Edwin Raymond C. Africa
Senior Vice President & General Manager
- Meat & Corporate Business Services

Gregory Francis H. Banzon
Executive Vice President & Chief
Operations Officer



Cezar D. Cruz, Jr.
Vice President & General Manager - Sardines,
Food Service & Corporate Engineering

Oscar A. Pobre
Chief Finance Officer, Chief Risk Officer &
Chief Information Officer



Raymund Ver R. Guinoo
Milk Marketing Director

Ronald M. Agoncillo
Vice President & General
Manager - Milk



Faye Christine B. Matriano
International Brands Marketing Director

Noel Anthony M. Tempongko, Jr.
Vice President & General Manager - Coconut

Corazon Joyce R. Rebosura
Assistant Vice President & Coconut Plant Technical Director



Wilhelmino D. Nicolasora, Jr.
Vice President - Domestic Sales

Gerald R. Manalansan
Vice President - Supply Chain Logistics



Carina M. Lising
Assistant Vice President - Food Service

Emerson C. Villarante
Vice President - Human Resources & Corporate Affairs





Maria Demetria S. Siasoco
Assistant Vice President - Meat Marketing

Victor Carlo S. Endaya
Marine Marketing Director



Analyn C. Teodosio
Assistant Vice President - Meat Finance

Jinky Mercado
Assistant Vice President - Meat Manufacturing



Robert Crisencio C. Manansala
Fish Procurement Director

Janina Mara T. Mendoza
Assistant Vice President - Tuna Export Business



Dionisio A. Balagso
Assistant Vice President - Corporate Controllershship

Nelia A. Pura
Assistant Vice President - Sales Finance



Bryan A. Lingan
Emerging Business Marketing Director

Daisy G. Engle
Assistant Vice President - Corporate Research & Development



Emmanuel B. Mernilo
Assistant Vice President - Packaging & Purchasing

Herminia B. Narciso
Assistant Vice President - Tuna Plant Operations



Alvin A. Manuel
Assistant Vice President - Human Resources
Special Projects & Plant Operations

Adrian L. Campillo
Deputy General Manager - China



Honelet C. Sayas
Assistant Vice President - Corporate Quality Assurance & Technical Services

Mary Jennifer S. Tan
Group Procurement Director



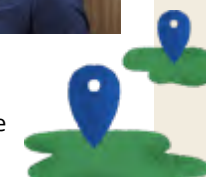
Paul V. Hernandez
Assistant Vice President - Information Technology

Samuel V. Santillan
Chief Audit Executive



Francis Y. Rodriguez
Assistant Vice President - General Trade

Joseph Edwin A. Quimpo
Assistant Vice President - Trade Marketing, Category Management & Emerging Markets



Giovanna M. Vera
Assistant Vice President - Investor Relations & Treasury

Richard Kristoffer S. Manapat
Assistant Vice President - Corporate & Demand Planning



NOT IN PHOTOS

Teddy C. Kho
Vice President & General Manager - Tuna OEM

Ralph S. Umali
Assistant Vice President - Modern Trade

Arriel S. Onesa
Assistant Vice President - Sardines Manufacturing

Cesar N. Orila
Assistant Vice President - Milk Operations

Arlene A. Librella
Assistant Vice President - Milk Manufacturing



Corporate Governance

102-18

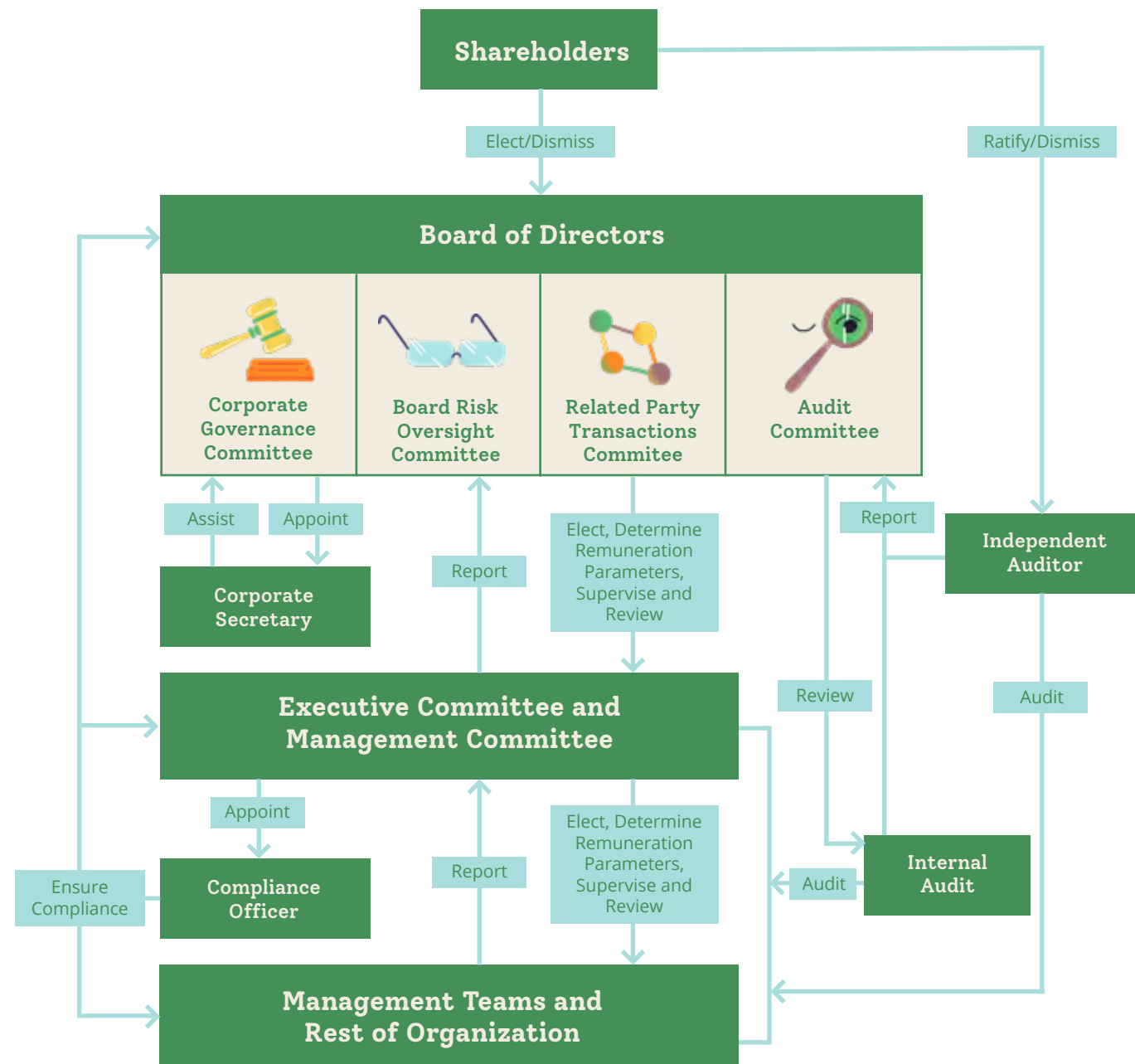
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The Company recognizes the importance of good governance in successfully progressing in its sustainability journey and creating greater value for shareholders. We believe that good corporate governance is to span across our entire value chain to ensure the organization operates along the lines of business ethics, complies with rules and regulations, and adheres to fair labor practices as we continue to fulfill our multiple economic, moral, legal, and social obligations towards our stakeholders.



Shareholders

Shareholders are encouraged to actively participate by exercising their rights. Such rights include the following, among others:

- Participating and voting during stockholders' meetings
- Exercising the appraisal right on instances stated in Section 81 of the Corporation Code
- Voting and being voted as director or officer of the Company
- Inspecting records of all the Company's business transactions and minutes of any meeting
- Receiving dividends declared by the Board of Directors
- Sharing in the distribution of the Company's remaining assets after its dissolution and liquidation

Shareholder rights can be found in the Company's By-Laws and Manual on Corporate Governance which are available on the CNPF website.



Board of Directors

The Board of Directors (the Board) is to act in the best interest of the Company and all its shareholders. The following are some of the roles and responsibilities of the Board.

To the Company

- Approve the selection and assess the performance of Senior Management and other control functions
- Ensure an effective performance management framework is in place to certify Management and personnel performance are at par with set standards
- Supervise the proper implementation of and compliance to the Code of Business Conduct and Ethics, including standards for professional and ethical behavior for internal and external dealings
- Attend and actively participate in all meetings of the Board and its respective committees
- Oversee the development of and approve business objectives and strategies and monitor their implementation
- Assure the Company has an appropriate internal control system, including a mechanism for managing potential conflicts of interest of the Board, Management, and shareholders
- Make certain there is a sound enterprise risk management framework for key business risks

To Shareholders

- Encourage active shareholder participation and minimize costs and administrative impediments to said participation
- Be transparent about and fairly promote shareholder rights, and provide processes and procedures for them to follow
- Attend and actively participate in all shareholders' meetings
- Have a formal and transparent board nomination and election policy
- Establish corporate disclosure policies and procedures to ensure the comprehensive, accurate, reliable, and timely report of relevant and material information, including non-financial information

Further details may be found in the Board Charter available on the Company website.

Composition of the Board of Directors

The Board of Directors is to have a collective working expertise that is relevant to the Company's industry or sector.

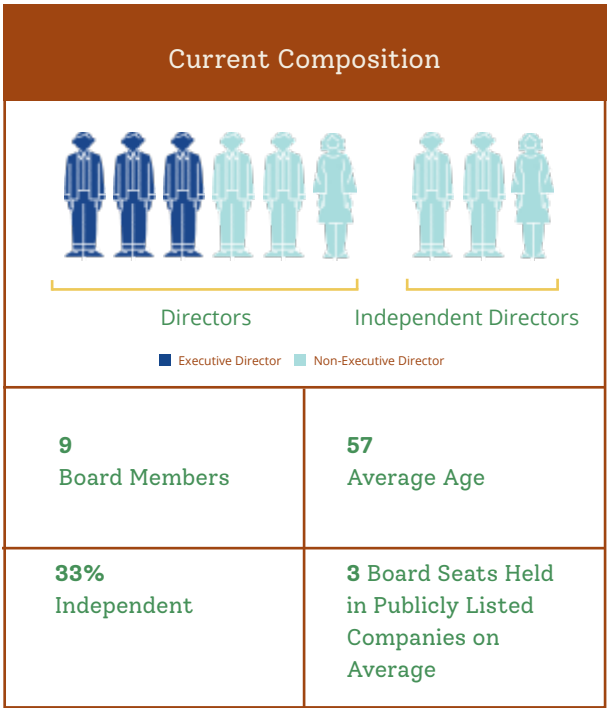
Majority of the Board should consist of non-executive directors in order to secure objective, independent judgment on corporate affairs and to substantiate proper checks and balances.

Additionally, at least three or one-third of the Board, whichever is higher, must be independent directors.

This ensures that no director or group of directors can dominate the decision making process, protecting the Company's interest over the interest of individual shareholders.

A lead independent director is designated should the Chairman of the Board not be independent and is authorized to lead the Board in cases where management has clear conflicts of interest.

The diversity of our Board of Directors is vital as we aim to create a diverse and inclusive organization. The Company's Board Diversity Policy can be found in its Board Charter.



Training

The Company has set guidelines and procedures concerning the orientation program for first-time directors.

Its directors attended corporate governance seminars conducted by the Institute of Corporate Directors (ICD) in August 2019.

**Appointed on March 4, 2019 (not yet a member of the Board of Directors during the January and February 2019 meetings).*

Qualifications

The Board ensures that it has an appropriate mix of competence and expertise. Its members should also remain qualified for their positions individually and collectively in order to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.

The qualifications of directors, among others, include:

1. College education or equivalent academic degree
2. Practical understanding of the business of the Company
3. Good standing in the relevant industry, business, or professional organization
4. Relevant previous business experience

In addition to the above, non-executive directors can only concurrently serve as directors in a maximum of five publicly listed companies to ensure he or she can allot sufficient time for company matters.

There were seventeen Board meetings in 2019. All Board members attended at least 94% of the meetings.

| Director | Board Meetings Attended |
|----------------------------|-------------------------|
| Ricardo S. Po, Sr. | 17 out of 17 |
| Christopher T. Po | 16 out of 17 |
| Teodoro Alexander T. Po | 16 out of 17 |
| Ricardo Gabriel T. Po, Jr. | 16 out of 17 |
| Leonardo Arthur T. Po | 17 out of 17 |
| Eileen Grace Z. Araneta* | 14 out of 14 |
| Fernan Victor P. Lukban | 17 out of 17 |
| Johnip G. Cua | 17 out of 17 |
| Frances J. Yu* | 14 out of 14 |

Succession Plan

The Board ensures that an effective succession planning program for directors and key officers is in place. This is to help secure the continuous growth of the Company.

Committees of the Board of Directors

The Board Committees are to support the effective performance of the Board's functions. Their purpose, memberships, structures, and responsibilities are further discussed in the Committee Charters available on the Company website.

Audit Committee

The Audit Committee is tasked to oversee Senior Management in maintaining an effective internal control framework which is able to provide assurance in areas including reporting, monitoring compliance with laws, regulations, and internal policies, and the efficiency and effectiveness of operations.

It ensures that both internal and independent auditors are to have unrestricted access to all records, properties, and personnel to enable them to perform their audit functions independently from one another.

It is composed of at least three non-executive directors, the majority of whom, including the Chairman (who should neither be Chairman of the Board nor of any other committee), should be independent. All must be experienced in the areas of accounting, auditing, and finance.

The Audit Committee meets with the Board at least every quarter without the presence of the Chief Executive Officer or any other member of the management team.



Internal Audit

The Audit Committee has an independent Internal Audit function that provides objective assurance and consulting services, monitoring and guiding the implementation of company policies and bringing a systematic approach to evaluating and improving the effectiveness of the Company's governance, risk management, and control functions.

The Committee oversees Internal Audit, recommending the approval of the Internal Audit Charter which contains the function's responsibilities and plans.

It ensures the independence of the Internal Auditor and reviews and monitors Management's responsiveness to Internal Audit.

Additionally, the Audit Committee periodically meets with the Chief Audit Executive, whose appointment is recommended by the Committee.

Samuel V. Santillan was re-appointed as the Company's Chief Audit Executive and has 24 years of experience in auditing, finance, and accounting management roles in various companies prior to joining CNPF in 2008.

Internal Audit is to render an annual report on its responsibilities, activities, and performance relative to the audit plans and strategies approved by the Audit Committee. It is also to provide a statement declaring whether it is compliant with the International Standards for the Professional Practice of Internal Auditing.

Internal Audit assists the Audit Committee to ensure

1. Reliability and integrity of financial and operating information
2. Compliance with policies, plans, procedures, laws, and regulations
3. Safeguard of assets
4. Resources are economically and efficiently used
5. Results of operations and programs are consistent with established objectives, goals, and plans

External Audit

The Audit Committee has a robust process for approving and recommending the appointment, re-appointment, removal, and fees of the independent auditor. It should be alerted for any situation that may potentially rise due to conflicts of interest which could impair the independent auditor's objectivity.

Navarro Amper & Co. was re-appointed as the Company's independent auditor for 2019 during the Annual Stockholders' Meeting last July 1, 2019, with Bonifacio F. Lumacang, Jr. as the engagement partner. It is to assess the Company's audited financial statements and provide its judgment on the compliance of said statements with the Philippine Financial Reporting Standards.

In 2019, Navarro Amper & Co. was paid PHP5.68 million for their audit services. Navarro Amper & Co. is the local practice of the Deloitte Touche Tohmatsu Limited Global Network.



Board Risk Oversight Committee

The Board Risk Oversight Committee is to oversee the Company's enterprise risk management system to ensure its functionality and effectiveness. Its responsibility is to supervise Management's activities in managing credit, market liquidity, and operational, legal, and other risk exposures.

It comprises at least three members, and at least one member should be knowledgeable in risk and risk management.

The Committee should always have clear communication with the Chief Risk Officer. Oscar A. Pobre, the Company's Chief Finance Officer, was re-appointed as Chief Risk Officer on July 1, 2019.

Corporate Governance Committee

The Corporate Governance Committee is responsible for ensuring the Company's compliance with corporate governance principles and practices. It periodically reviews the Company's corporate governance framework to ensure it remains appropriate given material changes in the corporation's size, complexity, strategy, and business and regulatory environments.

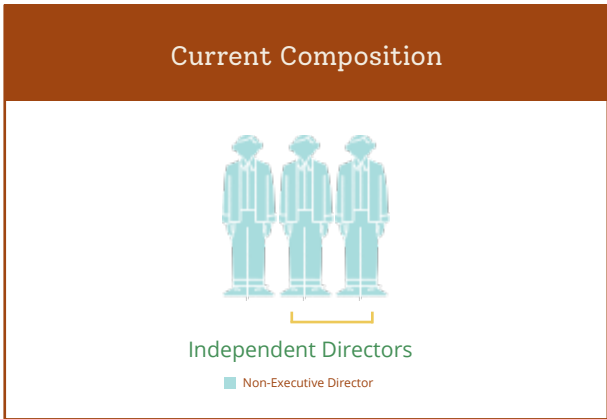
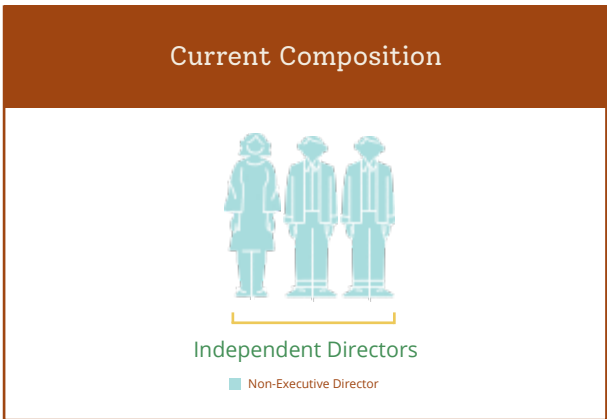
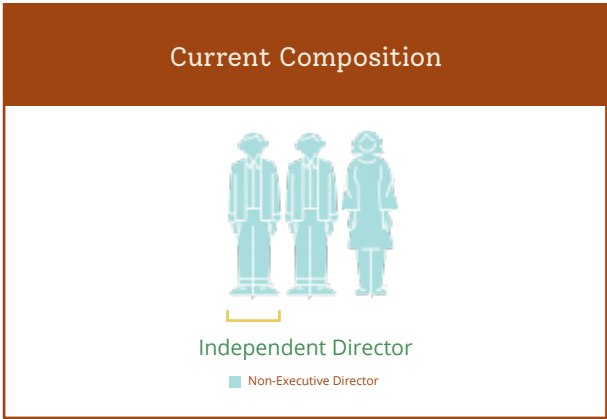
The Committee's responsibilities will be expanded to include sustainability matters which involve environmental, social, and sustainability governance concerns.

The Committee is also to function as a Nomination and Remuneration Committee, determining the nomination and election process and establishing a formal and transparent procedure in developing a policy for determining remuneration. It comprises at least three members, all of whom should be independent, including the Chairman.

Related Party Transactions Committee

The Related Party Transactions Committee is tasked to review all material related party transactions of the Company. It also informs regulating and supervising authorities relating to the Company's related party transaction exposures and ensures appropriate disclosures are accomplished.

The Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.



Corporate Secretary

The Corporate Secretary is to keep abreast of relevant laws, regulations, governance issuances, industry developments, and operations of the Company and advise the Board on all relevant issues as they arise.

Atty. Manuel Z. Gonzales was re-appointed as the Company's Corporate Secretary on July 1, 2019. He has been a Senior Partner in the Martinez Vergara Gonzalez & Serrano Law Office since 2006. Atty. Gonzales attended an eight-hour corporate governance seminar conducted by the ICD in August 2019.

Atty. Gwyneth S. Ong was re-appointed as the Company's Assistant Corporate Secretary on July 1, 2019. She has been a Partner at the Martinez Vergara Gonzalez & Serrano Law Office since 2015, having extensive experience in a broad range of securities and capital market transactions.

Executive Team

The Executive Team, along with the rest of the Management team, answers to the Board of Directors and is responsible for the operations and performance of the Company. It concretizes the Company's objectives and targets by executing its strategies and attaining set targets. The Team is spearheaded by the Chief Executive Officer (CEO).

The positions of CEO and Chairman of the Board are held by separate individuals. Their roles in the organization are distinguished below:

Chief Executive Officer

- 1. Supervise, monitor, and control operational activities and performance
- 2. Oversee operational alignment and operating structures
- 3. Determine the Company's strategic direction and implement its short- and long-term strategic plans
- 4. Oversee operations and all day-to-day management decisions of the Company
- 5. Manage the Company's resources prudently

Executive Chairman

- 1. Maintain qualitative and timely lines of communication and information between the Board and Management
- 2. Preside Board meetings and ensure its focus on strategic matters such as the Company's overall risk appetite, key governance concerns, and contentious issues that will significantly affect operations
- 3. Chair weekly Executive Committee meetings, with the option to join Management Committee meetings
- 4. Focus on strategic development of newer business units, new growth initiatives, and special projects
- 5. Serve as the link between internal and external stakeholders and provide stockholders with a balanced and comprehensible assessment of the Company's performance, position, and prospects

Compliance Officer

The Compliance Officer is responsible for determining and measuring the Company's adherence with its Manual on Corporate Governance, relevant laws, the Code of Corporate Governance for publicly listed companies, SEC rules and regulations, and all governance issuances of regulatory agencies.

Atty. Maria Rosario L. Ybañez was re-appointed as the Company's Compliance Officer on July 1, 2019, and has been involved in the practice of corporate, civil, criminal, labor, and intellectual property law since 2001.

Rest of the Organization

The rest of the organization completes the Company and supports its strategies in order to achieve its ever-growing targets. With competent professionals who embody the core values, CNPF is able to fulfill its purpose of nourishing and delighting everyone, everyday, everywhere. As such, attracting, developing, and retaining talent across the organization is of key importance.

The Company maintains strict policies on Health & Safety in all business lines, Anti-Sexual Harassment, Anti-Tuberculosis, Drug Free Workplace, and Executive Medical Check-Ups.

Moreover, we have policies on annual merit increases and salary adjustments that are tied up to the employees' performance assessments. CNPF proudly promotes a culture of recognition and value for key and high-performing employees who demonstrate excellence at the workplace. Performance is the main driver for total rewards. Rewards programs are therefore differentiated across businesses and among employees according to their contributions and levels of performance, with a significant share given to those who are high-performing.



Code of Business Conduct and Ethics

102-17 102-25 205-2 206-1

The Company's policies on the following business conduct and ethics affecting the directors, senior management, and employees are discussed below:

Compliance with Laws

All employees, in the conduct of business, are obliged to comply with all relevant laws and regulations.

Corruption, Extortion, and Bribery

The Company prohibits all forms of corruption, extortion, and bribery such as borrowing or receiving money, commissions, and offers of promises, or soliciting material favors from suppliers or customers/clients with which the Company has business relationships for his or her own personal benefit.

Conflicts of Interest

The Company respects the rights of its employees to manage their affairs and investments and does not wish to impinge upon their personal lives. At the same time, employees should avoid situations that present potential conflicts between their interests and interests of the Company. Also, any activities that create even just the appearance of a conflict of interest should be avoided.

No Gift Policy

All employees are not allowed to solicit or receive gifts from suppliers, customers/clients, service providers, business partners, and other similar entities for whatever purpose.

Specifically, gifts sent by parties above or received from these parties must be reported to the immediate superior and forwarded to the Human Resources Department for action.

Insider Trading

The Company's Insider Trading Policy states that all managers and up are strictly prohibited from buying or selling CNPF shares for five trading days prior to the release of and up to three trading days after the disclosure of reports containing material information.

Notices of said trading blackouts are issued to covered persons by email.

Use of Non-Public Information

All employees, upon joining the Company, are required to sign and adhere to a confidentiality agreement.

All information about the Company should be obtained legitimately and will be used only for legitimate purposes in compliance with internal policies and relevant antitrust laws and regulations.

Reporting of Personal Transactions

All controlling shareholders, directors, and executive officers must report any of their dealings in the Company's shares as well as any changes in their beneficial shareholdings in the Company to the Compliance Officer.

Said persons are required to report these transactions within three business days from the transaction date, after which the Compliance Officer will promptly disclose, according to relevant rules and regulations, the buy or sell details to the Philippine Stock Exchange and Securities Exchange Commission.

Use of Company Assets

The Company, as a matter of policy, entrusts company assets to employees because of the nature of their job. For this reason, it shall be the duty of the employee to act as responsible custodians, to exercise due care and diligence, and to comply with recording/documentary requirements of the assets.

Conflict Resolution

The Company provides a work environment that is conducive to friendly resolution of disagreement. Superiors are responsible for promoting amicable settlement of conflicts among members of their team with the support of Human Resources.

Disciplinary Action

Disciplinary actions are meted only after due process. The Company has a Code of Conduct that serves as a guide for the employees' behavior.

Whistleblower Policy

The whistleblower policy provides an avenue for employees to report misconduct of fellow employees, including their superiors, while protecting the employee's identity and welfare. Said reports of employees may be done anonymously, and all reports are treated confidentially.

Good faith reporters are encouraged and empowered to report their concerns and are protected from adverse consequences, victimization, harassment, or inappropriate disciplinary action as a result of any disclosure. Our Human Resources team has established structures to effectively process and respond to these reports.

The whistleblower policy is regularly communicated to employees for their reference and information. We will work on making our whistleblower policy available in local languages.

The whistleblower may submit in writing directly to the Head of Corporate Human Resources or via email to cpgethics@centurypacific.com.ph.

Fair Trade

Business is dictated by free competition with prices dictated by supply and demand. Employees are required to comply with fair trade practices.

Product Quality and Responsible Innovation

Products and services are delivered to meet the specifications, quality, and safety criteria specified in the relevant contract documents and are safe for their intended use. Research and development are conducted responsibly and are based on good clinical practice and generally accepted scientific, technological, and ethical principles.

Data Privacy

The Company has appointed Paul V. Hernandez as its Data Privacy Officer to address corporate compliance with the Data Privacy Act of 2012, its Implementing Rules and Regulations, and other relevant policies, including issuances of the National Privacy Commission.

The Company has also codified the privacy and data protection protocols that need to be observed and carried out primarily by all department heads who are fully accountable in ensuring that their units' private information as defined are processed in a secure manner.

Employment and Labor Laws and Policies

The Company is committed to upholding the rule of law and respect for the rights of labor.

Our fundamental employment principles are based on Philippine regulations and include the following:

1. Business is conducted lawfully and with integrity.
2. Work is conducted on the basis of freely agreed and documented terms of employment with legal compliance.
3. All workers are treated with respect and dignity.
4. Work is conducted on a voluntary basis with no forced or compulsory labor.
5. All workers are of an appropriate age.
6. All workers are paid fair remuneration.
7. Working hours for all workers are reasonable.
8. Our company ensures a healthy and safe working environment, assessing risk and taking all necessary measures to eliminate or reduce it to protect the workers at work. Safety is our main priority.
9. Workers have access to procedures.
10. Business is conducted in a manner that embraces sustainability and reduces environmental impact.
11. Progress and compliance are monitored through an internal audit and inspection process.



Risk Management

102-15

102-30

205-1

Here we identify the Company's key risk exposures, their potential impact, as well as some of the current processes and procedures that help mitigate them. The risks outlined below are not exhaustive and instead identify only those that are high impact and high probability to the Company.

Moreover, the Company regularly reviews this list and is in the process of refining the way it identifies, understands, quantifies, and manages the effects of risks throughout the organization.

Risks in fluctuations in prices of key raw materials and other input or operating costs

Potential Impact

- Lower probability metrics
- Volatility in earnings performance

Mitigation

- Active study and monitoring of raw material availability, prices, and trends
- Maintaining a wide network of suppliers
- Maximizing scale in order to negotiate costs
- Developing new ingredient substitutes
- Investing in brand name and reputation in order to pass on costs
- Product diversification targeting different price points and serving different consumer segments

Risks in actual or alleged contamination; safety concerns

Potential Impact

- Weakened brand and reputation
- Loss of revenue streams

Mitigation

- Continuous investment in quality control systems and procedures
- Strong quality-conscious culture and organization that spans the entire supply chain
- Regular audits that ensure compliance with internationally recognized systems of food safety and contamination prevention

Risks in limited new products and product extensions, or new products fail to meet consumer preferences

Potential Impact

- Disrupted sales growth
- Decreased brand relevance

Mitigation

- A focused research and development capability per category
- Diligent procurement of consumer insights through focus groups and quantitative as well as qualitative studies
- Establishing an active inorganic opportunities program to widen scope for potential new products and brands

Risks in new entrants or increased competition in various food categories

Potential Impact

- Loss of market share
- Loss of revenue streams

Mitigation

- Regular engagement with customers and market intelligence exercises
- Investing in brand name and reputation
- Strict management of cost at all levels to ensure products' cost competitiveness

Risks in natural or man-made disasters that may cause failure of normal operations

Potential Impact

- Loss of revenue streams
- Damage to assets

Mitigation

- Ensuring insurable assets are adequately covered at the right valuation
- Risk management review and disaster training, especially at the plant and operating levels
- Establish a network of potential toll manufacturers

Risks in volatility in macroeconomic and political factors such as foreign exchange, interest rates, availability of funding, rule of law, among others

Potential Impact

- Lower probability metrics
- Difficulty to fund expansion
- Higher cost of doing business

Mitigation

- Limiting gearing ratios and ensuring healthy liquidity and cash generation
- Optimizing currency and geographic sales mix to minimize foreign exchange exposure
- Selectively engaging in hedging as approved by the Board
- Regular review of funding mix by currency, tenor, and manner of pricing (fixed/floating)
- Actively engaging key stakeholders and keeping current in all applicable laws and regulation

Risks in trademark infringement or failure to protect proprietary rights

Potential Impact

- Lost opportunities
- Higher legal costs

Mitigation

- Regular upkeep of registration to keep current in all applicable jurisdictions
- Active prosecution of any cases of trademark infringement

Risks in credit risk of customers and delays or defaults in payment

Potential Impact

- Loss of cash
- Destabilized liquidity position

Mitigation

- Systematic credit investigation of its customers
- Security or collateral requirements in the form of bank guarantees and letters of credit from certain customers
- Monitor and manage liquidity ratios
- Ensure availability of sufficient working capital credit lines

Risks in labor unrest and slowdowns

Potential Impact

- Higher cost of doing business
- Higher employee attrition rate

Mitigation

- Establishing a healthy and safe working environment, where work is conducted voluntarily on the basis of freely agreed and documented terms
- Providing fair remuneration and reasonable working hours
- Engaging employees and ensuring they have access to procedures

Risks in change in consumers' media habits

Potential Impact

- Ineffective marketing campaigns
- Decreased brand relevance

Mitigation

- Ensuring innovation, particularly in marketing and communication methods
- Including a digital component in marketing campaigns
- Exploring and building on e-commerce as a potential sales channel

Risks in differing interests of majority shareholders from that of other minority shareholders

Potential Impact

- Eroded public confidence and higher cost of capital
- Difficulty in maximizing value for shareholders

Mitigation

- Regular meetings of Related Party Transactions (RPT) Committee to review RPTs at the board level
- System to ensure all RPTs are covered by individual agreements that make certain they are arm's-length
- Regular disclosures and engagement with minority shareholders

Risks in general decline in consumer confidence

Potential Impact

- Lost opportunities
- Loss of revenue streams

Mitigation

- Maintaining a broad product portfolio that caters to both the "premiumizing" consumer as well as the cost and value conscious
- Continuously leveraging scale to bring down costs and create more affordable products
- Investing in "must have" brands
- Maintaining a balanced domestic and export business which diversifies exposure to various consumer markets globally

Risks in dependence on key executives

Potential Impact

- Delayed or ineffective operational execution
- Medium- to long-term business objectives at risk

Mitigation

- Active process of succession planning at all levels
- Regular benchmarking of compensation
- Investing in corporate brand in order to become a destination for top talent





Other Highlights

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Investor Relations Program

Maintaining open communications and credibility with various stakeholders is a priority of Century Pacific Food, Inc. (CNPFI).

Why We Engage

The primary objectives of CNPF's Investor Relations (IR) team are:

- to build a full and fair valuation of the security's price in order to reduce cost of capital and create value for shareholders
- to ensure the Company's continued access to capital markets in order to provide the necessary support for long-term growth
-

How We Engage

The IR team meets its objectives through various activities that revolve around:

- facilitating effective two-way communication between the Company and the financial community
- building confidence in the Company's strategic plans and gaining trust in the management team's ability to execute them

The IR team is the financial market's main point of contact.

It provides the appropriate information to investors and analysts in a manner that is timely and easy to understand. Said communication program is meant to be clear and consistent, focusing on the key metrics that drive business performance. It facilitates as well all required disclosures to the regulatory authorities, primarily the Philippine Stock Exchange and the Securities and Exchange Commission.

As a trusted source of information, it prides itself in freeing up C-suite time, allowing them greater flexibility to focus on operating and building the business.

The primary subject of IR communication is the Company's ability to create shareholder value.

It focuses primarily on conveying management's long-term vision and the many interim key milestones necessary to achieve these goals.

Through this exercise, it hopes to build the trust and confidence of long-term shareholders whose objectives most closely align with that of the Company's.

Analysts and investors are also valuable sources of feedback on both the IR program and broader corporate strategy.

The IR team actively engages third parties to comment on the quality of its work and for their views and expectations of the Company.

CNPFI **IR**

Giovanna M. Vera

Head of Investor Relations

investorrelations@centurypacific.com.ph



2019 Highlights

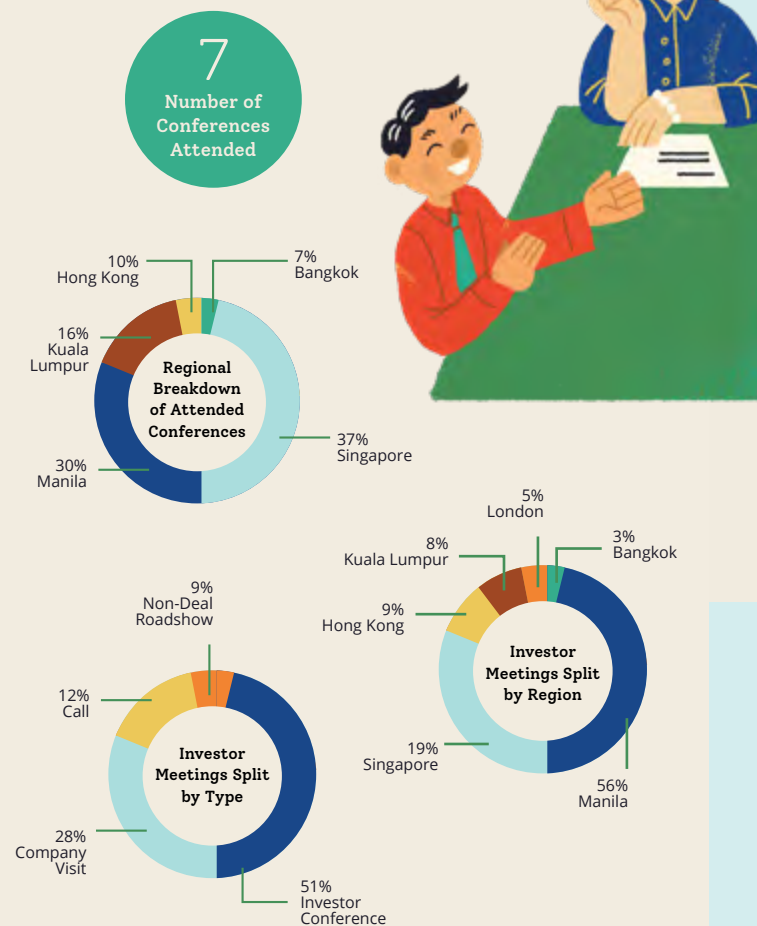


Glossy Annual Report



8 Press Releases

Meetings with Current and Potential Investors



Attainment of Sell-Side Coverage from Brokerages

| INSTITUTION | ANALYST |
|-----------------|--------------------|
| BDO Nomura | Diane Go |
| BPI Jefferies | Miguel Sevidal |
| CLSA | Joyce Ramos |
| COL Financial | Justin Cheng |
| Credit Suisse | Hazel Tanedo |
| First Metro DBS | Mark Angeles |
| Macquarie | Karisa Magpayo |
| Maybank ARTKE | Fredrick De Guzman |
| PNB | Alvin Arogo |
| Regina Capital | Pia Magalong |
| Regis | Carissa Mangubat |



Corporate Website

Non-Deal Roadshows to Key Financial Market Centers



Conference Calls on Quarterly Financial Results

| | | | |
|----------|----------------------------------|-------|--------------------------------------|
| March 27 | Full Year 2018 Earnings Call | Nov 5 | First Nine Months 2019 Earnings Call |
| May 8 | First Quarter 2019 Earnings Call | | |
| July 31 | First Half 2019 Earnings Call | | |



Welcoming Annual General Meeting

Stock Highlights

102-5 102-45

STOCK EXCHANGE

Century Pacific Food, Inc. held its Initial Public Offering (IPO) on May 6, 2014, and is listed on the Philippine Stock Exchange (PSE) with "CNPF" as its ticker symbol. The stock has a minimum board lot of 100 shares and no foreign ownership limit.

INDICES

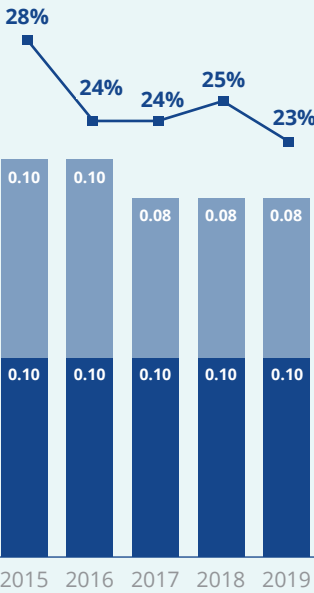
- FTSE All Cap - Asia Pacific
- FTSE Small Cap - Asia Pacific

STOCK PERFORMANCE

Stock Price in PHP

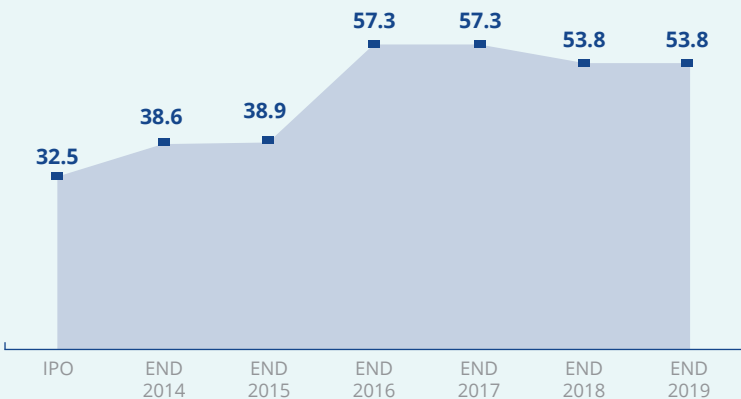


DIVIDEND HISTORY in PHP



■ Regular Cash ■ Special Cash
— Payout Ratio of Previous Year's Net Income

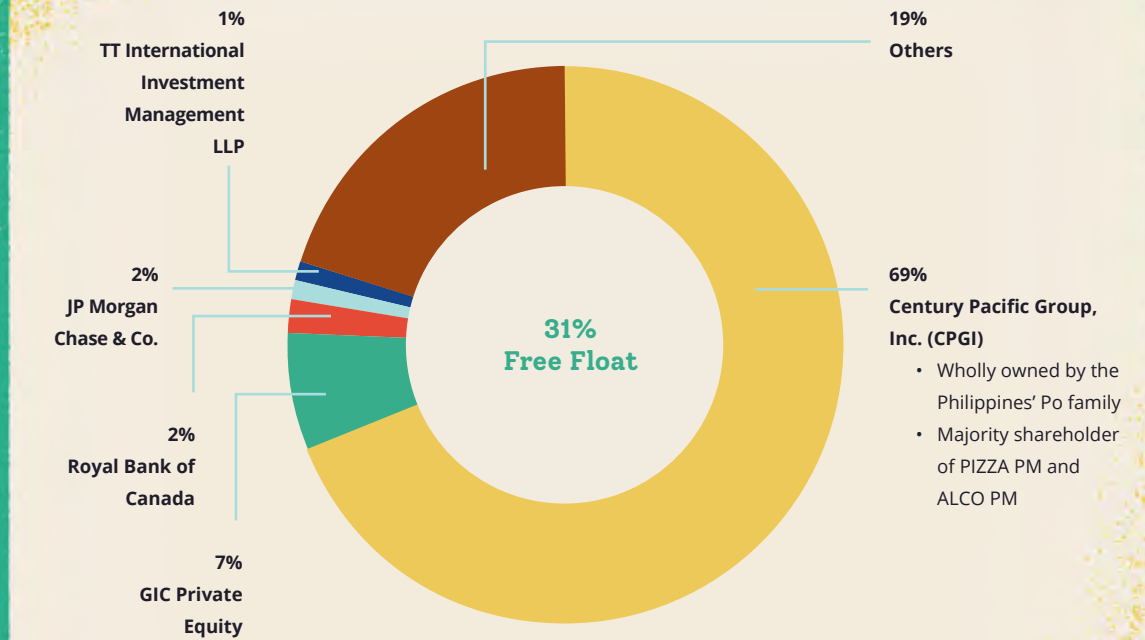
Market Capitalization in PHP billion



-0.1%
Year-on-Year
2018-2019

+65.5%
Since IPO

SHAREHOLDERS



Source: Bloomberg, May 2020

ANNUAL STOCKHOLDERS' MEETING

We hold our Annual Stockholders' Meeting every June 30th.

OTHER STOCK ISSUANCES

We have issued 4,056,100 common shares following our Employee Stock Purchase Plan (ESPP).

There were no new shares issued in 2020.

A total of 8,269,245 are available for subscription under the ESPP, leaving 4,213,145 shares still unissued.

SHARE CAPITAL

As of end 2019, CNPF's authorized capital was PHP6 billion consisting of 6 billion common shares with a PHP1.00 par value. There were 3,542,258,595 listed, issued, and outstanding shares as of the same period.

Based on the closing price of PHP15.18 per share, the market capitalization of the Company's common shares as of end of 2019 was PHP53,771,485,472.10.

INFORMATION DISCLOSURES

In compliance, all information required by the Philippine Securities and Exchange Commission and the PSE are filed, disclosed, and promptly made public via the Company's corporate website and its official PSE online portal page as follows:

- <https://www.centurypacific.com.ph/>
- http://edge.pse.com.ph/companyInformation/form.do?cmpy_id=652

Awards and Recognitions



Management's Discussion and Analysis

Consolidated Statements of Financial Position

CNPF's total assets increased to PHP32.6 billion as of December 31, 2019, compared to PHP30.3 billion at the end of 2018. Net property, plant, and equipment registered at PHP6.4 billion. Capital expenditures totaled to PHP1.8 billion, consisting mainly of new equipment and additional plant capacity at the different manufacturing facilities of the Company.

Total equity grew from PHP16.7 billion at the end of December 2018 to PHP19.2 billion, coming primarily from the Company's generated net income during the year. Book value per share (BVPS) increased by 15% to PHP5.41 compared to PHP4.72 as of end 2018.

Total liabilities, on the other hand, slightly decreased to PHP13.4 billion from PHP13.6 billion, primarily due to the partial repayment of interest-bearing debt which ended at PHP5.5 billion. All of the Company's debt is denominated in Philippine pesos.

The Company maintained its strong and healthy balance sheet with current ratio at 2.22x and debt-to-equity ratio at 0.70x. Total debt-to-equity net of cash and interest-bearing debt over equity were likewise stable at 0.62x and 0.29x respectively.

Consolidated Statements of Cash Flows

Cash as of end 2019 stood at PHP1.6 billion. Operating activities registered a PHP3.7 billion total inflow. Net cash used in investing activities amounted to PHP1.8 billion, while net cash used in financing activities amounted to PHP2.0 billion.

The cash conversion cycle is primarily unchanged at 121 days from 125 in the previous year as working capital requirements stabilize. As of end 2019, accounts receivable, inventory, and payable days stood at 63, 139, and 81, respectively. Working capital slightly increased to PHP12.0 billion from PHP11.7 billion during the previous year given the maintained inventory level to support inventory hedge.

Consolidated Statements of Comprehensive Income

Consolidated net revenue grew 7% versus the same period the previous year, amounting to PHP40.6 billion. This brings the Company's five-year compounded annual growth rate to 15% since 2014.

Robust revenue performance can be attributed to the double-digit sales increase in the Company's branded business, supported by sustained demand for its affordable, convenient, and healthy products. CNPF's brands in the marine and meat segments maintained market leadership, while emerging product categories continue to gain traction. In contrast, revenues from the OEM units saw sales fall by 6% year-on-year on the back of lower prices in tuna and coconut.

The Company's cost of sales consists primarily of raw material and packaging costs, manufacturing costs, and direct labor costs. For the full-year ending December 31, 2019, cost of sales grew by 4%, leading to a 19% increase in gross profit.

Favorable commodity price trends led to improved profitability for the Company overall, with consolidated gross profit margin improving by 250 basis points to 24%.

The improvement in gross profit allowed the Company to invest more heavily in brands, new product developments, and innovations, leading to an increase of 13% in operating expense.

CNPF's consolidated net income after tax totaled PHP3.1 billion for the full-year ending December 31, 2019. This is 11% higher than the reported net income after tax of PHP2.8 billion in 2018, primarily driven by the double-digit growth in branded sales and steady margin year-on-year due to favorable input prices. The Company achieved a five-year compounded annual net income growth rate of 15% since 2014—the upper end of its target sustainable growth of 10 to 15%.



CENTURY PACIFIC FOOD, INC.

Statement of Management's Responsibility for Consolidated Financial Statements

The management of CENTURY PACIFIC FOOD INC. and SUBSIDIARIES (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the year(s) ended December 31, 2019 and 2018, in accordance with Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements including the schedules attached therein, and submits the same to the stockholders.

Navarro Amper & Co., the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Christopher T. Po
Executive Chairman

Teodoro Alexander T. Po
President and CEO

Oscar A. Pobre
Chief Financial Officer

Signed this 14th day of April 2020

NavarroAmper&Co.

Independent Auditor's Report

Navarro Amper & Co.
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5th Avenue corner 26th Street Bonifacio
Global City, Taguig 1634 Philippines
Tel: +63 2 8581 9000 Fax: +63 2 8869 3676
www.deloitte.com/ph
BOA/PRC Reg. No. 0004
SEC Accreditation No. 0001-FR-5

To the Stockholders and the Board of Directors
CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES
(A Subsidiary of Century Pacific Group, Inc.)
7TH Floor, Centerpoint Building, Julia Vargas St., Ortigas Center Pasig City, Metro Manila

Opinion

We have audited the consolidated financial statements of Century Pacific Food, Inc. and Subsidiaries (the "Group") which comprise the consolidated statements of financial position as at December 31, 2019 and 2018, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years ended December 31, 2019, 2018 and 2017, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2019 and 2018, and of its financial performance, and cash flows for the years ended December 31, 2019, 2018 and 2017, in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

We conducted our audits in accordance with Philippines Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matter:

Key Audit Matter
Goodwill Impairment

Goodwill has been recognized in the consolidated statements of financial position resulting from acquisitions of the Group. Under PFRS 3 and PAS 36, the Group is required to annually test the goodwill for impairment. This annual impairment test was significant to our audit because the aggregate balance of goodwill amounting to P2.92 billion is material to the consolidated financial statements and represents 8.9% of the consolidated total assets of the Group as at December 31, 2019.

Management conducts annual impairment test to assess the recoverability of the carrying values of goodwill. This annual impairment test involves a number of key sensitive judgments and estimates made in determining the inputs used in the assessment process.

The carrying value of goodwill as at December 31, 2019 are disclosed in the consolidated financial statements.

Our audit performed and responses thereon

Our audit procedures were focused on performing a detailed understanding of the Management's assessment process and challenging the key sensitive judgments and estimates applied as follows:

We reviewed the Group's position on the impairment of goodwill, including information about the Group's project plan, current year developments, current risk evaluations business outlook, revenue potential and market penetration assessment of the subsidiaries to which the goodwill relates to; and

We assessed and challenged the reasonableness of the projected revenue and profit in the next five years and the present value of future cash flows, including the assumptions used in estimating the weighted average cost of capital (WACC).

Based on our audit procedures, we have noted that the Group's assessment and the judgments used are reasonable.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2019, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2019 are expected to be available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover this other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or with our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with PFRS, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Mr. Bonifacio F. Lumacang, Jr.

Navarro Amper & Co.
BOA Registration No. 0004, valid from November 12, 2018 to July 16, 2021
SEC Accreditation No. 0001-FR-5, issued on January 15, 2019; effective until January 14, 2022, Group A TIN 005299331

By: 

Bonifacio F. Lumacang, Jr.
Partner
CPA License No. 0098090
SEC A.N. 1793-A, issued on November 11, 2019; effective until November 10, 2022, Group A TIN 170035681
BIR A.N. 08-002552-18-2018, issued on January 26, 2018; effective until January 26, 2021 PTR No. A-4689422, issued on January 2, 2020, Taguig City

Taguig City, Philippines
April 14, 2020

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES
(A Subsidiary of Century Pacific Group, Inc.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| | December 31 | |
|--|-----------------|-----------------|
| | 2019 | 2018 |
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | P 1,607,844,054 | P 1,676,474,926 |
| Trade and other receivables - net | 7,000,528,129 | 7,076,376,479 |
| Due from related parties | 261,588,910 | 122,847,147 |
| Inventories - net | 11,781,872,041 | 11,655,712,214 |
| Biological assets | 33,380,356 | 42,853,751 |
| Prepayments and other current assets - net | 829,609,933 | 467,388,654 |
| Total Current Assets | 21,514,823,423 | 21,041,653,171 |
| Non-current Assets | | |
| Property, plant and equipment - net | 6,414,543,344 | 5,458,069,440 |
| Intangible assets - net | 3,504,492,460 | 3,526,008,300 |
| Right-of-use assets - net | 705,437,893 | - |
| Deferred tax assets | 359,681,319 | 219,094,587 |
| Other non-current assets | 89,793,109 | 92,476,882 |
| Total Non-current Assets | 11,073,948,125 | 9,295,649,209 |
| | P32,588,771,548 | P30,337,302,380 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Trade and other payables | P 6,832,729,150 | P 7,007,148,870 |
| Borrowings - current portion | 2,433,508,587 | 3,209,500,000 |
| Income tax payable | 148,438,723 | 98,640,787 |
| Due to related parties | 19,706,847 | 10,581,740 |
| Lease liabilities- current portion | 269,082,105 | 26,779,422 |
| Total Current Liabilities | 9,703,465,412 | 10,352,650,819 |
| Non-Current Liabilities | | |
| Borrowings - net of current portion | 3,086,500,000 | 3,103,000,000 |
| Retirement benefit obligation | 160,025,025 | 78,277,685 |
| Lease liabilities - net of non current portion | 484,103,079 | 78,802,145 |
| Deferred tax liability | 360,285 | - |
| Total Non-current Liabilities | 3,730,988,389 | 3,260,079,830 |
| | 13,434,453,801 | 13,612,730,649 |
| Equity | | |
| Share capital | 3,542,258,595 | 3,542,258,595 |
| Share premium | 4,936,859,146 | 4,936,859,146 |
| Share-based compensation reserve | 8,211,398 | 8,211,398 |
| Other reserves | 30,628,942 | 30,628,942 |
| Currency translation adjustment | 25,440,484 | 42,513,081 |
| Retained earnings | 10,610,919,182 | 8,164,100,569 |
| | 19,154,317,747 | 16,724,571,731 |
| | P32,588,771,548 | P30,337,302,380 |

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES
(A Subsidiary of Century Pacific Group, Inc.)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| For the Years Ended December 31 | | | |
|---|-----------------|-----------------|-----------------|
| | 2019 | 2018 | 2017 |
| Net Sales | P40,560,362,956 | P37,885,300,679 | P32,907,317,107 |
| Cost of Goods Sold | 30,836,294,070 | 29,737,566,156 | 25,972,795,962 |
| Gross Profit | 9,724,068,886 | 8,147,734,523 | 6,934,521,145 |
| Other Income | 536,291,593 | 535,516,845 | 428,078,385 |
| | 10,260,360,479 | 8,683,251,368 | 7,362,599,530 |
| Operating Expenses | 5,332,626,089 | 4,720,581,843 | 3,893,494,499 |
| Finance Costs | 369,427,817 | 196,861,598 | 106,978,129 |
| Other Expenses | 519,677,568 | 163,669,529 | 39,991,707 |
| | 6,221,731,474 | 5,081,112,970 | 4,040,464,335 |
| Profit Before Tax | 4,038,629,005 | 3,602,138,398 | 3,322,135,195 |
| Income Tax Expense | 890,031,995 | 767,865,538 | 770,238,525 |
| Profit for the Year | 3,148,597,010 | 2,834,272,860 | 2,551,896,670 |
| Other Comprehensive Income (Loss) | | | |
| Items that will not be Reclassified Subsequently to Profit or Loss | | | |
| Currency translation adjustment | (17,072,597) | 2,770,342 | 4,819,879 |
| Remeasurement gain (loss) on retirement benefit obligation - net of tax | (64,171,850) | 15,556,508 | 4,779,310 |
| | (81,244,447) | 18,326,850 | 9,599,189 |
| Total Comprehensive Income | P 3,067,352,563 | P 2,852,599,710 | P 2,561,495,859 |
| Basic and Diluted Earnings Per Share | P0.8890 | P0.8001 | P0.7204 |

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES
(A Subsidiary of Century Pacific Group, Inc.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| | Share Capital | Share Premium | Share-based Compensation | Other | Currency Translation | Unappropriated | Appropriated | |
|---|----------------|----------------|--------------------------|-------------|----------------------|-----------------|----------------|-------------------|
| Balance, January 1, 2017 | P3,541,028,895 | P4,911,986,439 | P5,262,360 | P30,628,942 | P34,922,860 | P4,014,996,312 | P | - P12,538,825,808 |
| Profit for the year | - | - | - | - | - | 2,551,896,670 | - | 2,551,896,670 |
| Other comprehensive income: | | | | | | | | - |
| Currency translation adjustment | - | - | - | - | 4,819,879 | - | - | 4,819,879 |
| Remeasurement of retirement benefit obligation - net of tax | - | - | - | - | - | 4,779,310 | - | 4,779,310 |
| Total Comprehensive Income | - | - | - | - | 4,819,879 | 2,556,675,980 | - | 2,561,495,859 |
| Transactions with owners: | | | | | | | | - |
| Issuance of share capital | 1,229,700 | 16,109,070 | - | - | - | - | - | 17,338,770 |
| Cash dividends | - | - | - | - | - | (637,606,547) | - | (637,606,547) |
| Equity-settled share-based compensation | - | - | 3,061,953 | - | - | - | - | 3,061,953 |
| Balance, December 31, 2017 | 3,542,258,595 | 4,928,095,509 | 8,324,313 | 30,628,942 | 39,742,739 | 5,934,065,745 | - | 14,483,115,843 |
| Balance, January 1, 2018 (as previously restated) | 3,542,258,595 | 4,928,095,509 | 8,324,313 | 30,628,942 | 39,742,739 | 5,934,065,745 | - | 14,483,115,843 |
| Transition to PFRS 9 adjustment | - | - | - | - | - | 17,812,003 | - | 17,812,003 |
| Balance, January 1, 2018 (as adjusted) | 3,542,258,595 | 4,928,095,509 | 8,324,313 | 30,628,942 | 39,742,739 | 5,951,877,748 | - | 14,500,927,846 |
| Profit for the year | - | - | - | - | - | 2,834,272,860 | - | 2,834,272,860 |
| Other comprehensive income: | | | | | | | | |
| Currency translation adjustment | - | - | - | - | 2,770,342 | - | - | 2,770,342 |
| Remeasurement of retirement benefit obligation - net of tax | - | - | - | - | - | 15,556,508 | - | 15,556,508 |
| Total Comprehensive Income | - | - | - | - | 2,770,342 | 2,849,829,368 | - | 2,852,599,710 |
| Transactions with owners: | | | | | | | | |
| Issuance of share capital | - | - | - | - | - | - | - | - |
| Cash dividends | - | - | - | - | - | (637,606,547) | - | (637,606,547) |
| Equity-settled share-based compensation | - | 8,763,637 | (112,915) | - | - | - | - | 8,650,722 |
| Appropriation of retained earnings | - | - | - | - | - | (1,599,300,000) | 1,599,300,000 | - |
| Balance, December 31, 2018 | 3,542,258,595 | 4,936,859,146 | 8,211,398 | 30,628,942 | 42,513,081 | 6,564,800,569 | 1,599,300,000 | 16,724,571,731 |
| Profit for the year | - | - | - | - | - | 3,148,597,010 | - | 3,148,597,010 |
| Other comprehensive income: | | | | | | | | |
| Currency translation adjustment | - | - | - | - | (17,072,597) | - | - | (17,072,597) |
| Remeasurement of retirement benefit obligation - net of tax | - | - | - | - | - | (64,171,850) | - | (64,171,850) |
| Total Comprehensive Income | - | - | - | - | (17,072,597) | 3,084,425,160 | - | 3,067,352,563 |
| Transactions with owners: | | | | | | | | |
| Cash dividends | - | - | - | - | - | (637,606,547) | - | (637,606,547) |
| Appropriation of retained earnings | - | - | - | - | - | 240,784,514 | (240,784,514) | - |
| Balance, December 31, 2019 | P3,542,258,595 | P4,936,859,146 | P8,211,398 | P30,628,942 | P25,440,484 | P9,252,403,696 | P1,358,515,486 | P19,154,317,747 |

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES
(A Subsidiary of Century Pacific Group, Inc.)
CONSOLIDATED STATEMENTS OF CASH FLOWS

| For the Years Ended December 31 | | | |
|--|-----------------------|-----------------|-----------------|
| | 2019 | 2018 | 2017 |
| Cash Flows from Operating Activities | | | |
| Profit before tax | P4,038,629,005 | P3,602,138,398 | P3,322,135,195 |
| Adjustments for: | | | |
| Depreciation and amortization | 932,365,731 | 726,908,805 | 525,324,463 |
| Finance costs | 369,427,817 | 196,861,598 | 106,978,129 |
| Provisions on inventory obsolescence | 72,394,430 | 94,774,003 | 11,956,952 |
| Loss on impairment of input VAT | 5,538,547 | 50,880,193 | 1,444,836 |
| Retirement benefit expense | 38,685,892 | 41,694,411 | 40,285,134 |
| Loss on decline in value of inventories | 185,817,650 | 22,065,037 | 10,796,525 |
| Gain (Loss) on disposal of property, plant and equipment - net | 31,630,206 | 2,098,022 | (3,276,212) |
| Doubtful accounts expense | 5,794,328 | 14,125,264 | 5,501,642 |
| Provisions | - | 92,972,821 | 2,936,341 |
| Loss on impairment of goodwill | - | 36,957,396 | - |
| Share based compensation expense | - | 8,650,722 | 3,061,953 |
| Loss on impairment of property, plant and equipment | - | - | 2,006,445 |
| Interest income | (8,082,061) | (7,579,050) | (4,911,950) |
| Gain from sale of scrap - net | (15,150,463) | (123,654,220) | (157,750,288) |
| Unrealized foreign exchange loss (gain) - net | (31,083,986) | 44,741,545 | (130,357,623) |
| Reversal of allowance for doubtful accounts | (48,887,970) | - | (33,463,059) |
| Reversal of accruals | (125,718,029) | (71,759,813) | (54,401,233) |
| Reversal of allowance of inventory | (192,375,933) | (28,616,691) | (56,387,327) |
| Operating cash flows before working capital changes | 5,258,985,164 | 4,703,258,441 | 3,591,879,923 |
| Decrease (Increase) in: | | | |
| Trade and other receivables | 119,292,471 | (1,805,611,261) | (1,213,283,827) |
| Due from related parties | (138,741,763) | 62,914,412 | (94,641,921) |
| Inventories | (176,845,510) | (4,625,110,543) | 725,039,119 |
| Biological assets | 9,473,395 | (20,129,879) | 12,093,910 |
| Prepayments and other current assets | (347,649,729) | (41,599,054) | (32,640,321) |
| Other non-current assets | 2,683,773 | (32,551,162) | (2,490,059) |
| Increase (Decrease) in: | | | |
| Trade and other payables | (23,410,693) | 1,954,459,654 | 353,226,551 |
| Due to related parties | 9,125,107 | (11,232,702) | (68,179,742) |
| Finance lease obligation | - | 99,522,472 | - |
| Exchange differences on translating operating assets and liabilities | (17,072,597) | 20,504,761 | - |
| Cash generated from operations | 4,695,839,618 | 304,425,139 | 3,271,003,633 |
| Contribution to the retirement fund | (48,612,624) | (48,612,624) | (44,283,861) |
| Income tax paid | (974,189,582) | (681,338,695) | (1,019,115,869) |
| Interest received | 7,731,582 | 7,095,123 | 4,332,120 |
| Net cash from (used in) operating activities | 3,680,768,994 | (418,431,057) | 2,211,936,023 |
| Cash Flows from Investing Activities | | | |
| Acquisitions of property, plant and equipment | (1,774,163,199) | (1,307,707,845) | (1,531,804,883) |
| Proceeds from sale of property, plant and equipment | 4,250,055 | 77,958,840 | 18,847,518 |
| Acquisitions of intangible assets | - | - | (537,896,000) |
| Maturities of HTM investments | - | - | 12,798,425 |
| Interest income received | - | - | 91,841 |
| Net cash used in investing activities | (1,769,913,144) | (1,229,749,005) | (2,037,963,099) |
| Cash Flows from Financing Activities | | | |
| Proceeds from borrowings | 4,986,000,000 | 4,050,000,000 | 2,665,000,000 |
| Repayments of borrowings | (5,778,491,413) | (1,445,500,000) | (1,261,000,000) |
| Dividends paid | (637,606,547) | (637,606,547) | (637,606,547) |
| Finance costs paid | (363,634,829) | (190,802,503) | (104,768,115) |
| Payment of lease liabilities | (185,753,933) | - | - |
| Proceeds from issuance of share capital | - | - | 17,338,770 |
| Net cash from (used in) financing activities | (1,979,486,722) | 1,776,090,950 | 678,964,108 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (68,630,872) | 127,910,888 | 852,937,032 |
| Cash and Cash Equivalents, Beginning | 1,676,474,926 | 1,548,564,038 | 695,627,006 |
| Cash and Cash Equivalents, End | P1,607,844,054 | P1,676,474,926 | P1,548,564,038 |

Disclaimer: Notes to the Company's financial statements are not presented here. The complete set of financial statements, including the notes, are covered by the independent auditors' report and are made available to all shareholders through the definitive information statement for the annual stockholders' meeting on June 30, 2020. A copy of the full set of financial statements may be downloaded through the Company's website (www.centurypacific.com.ph).

GRI Content Index102-55

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|--|--|--|--------------|--------|
| GRI Standard | Disclosure | Page Number or URL | Part Omitted | Reason |
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| | 102-27 Collective Knowledge of Highest Governance Body | Our Board of Directors. Page 74-76. | | |
| | 102-28 Evaluating the Highest Governance Body's Performance | https://www.centurypacific.com.ph/investorpdf/Corporate/ANNUAL%20BOARD%20PERFORMANCE%20ASSESSMENT%20v2.pdf | | |
| | 102-29 Identifying and Managing Economic, Environmental, and Social Impacts | Our Sustainability Focus. Page 38-39. | | |
| | 102-30 Effectiveness of Risk Management Processes | Risk Management. Page 88-89. | | |
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| | 102-32 Highest Governance Body's Role in Sustainability Reporting | A Message to Our Shareholders. Page 21-22. | | |

| | | | |
|--|--|---|--|
| Stakeholder Engagement | | | |
| | | 102-40 List of Stakeholder Groups | How We Engage with Stakeholders. Page 42-43. |
| | | 102-41 Collective Bargaining Agreements | CNPF has no existing collective bargaining agreements. |
| | | 102-42 Identifying and Selecting Stakeholders | How We Engage with Stakeholders. Page 42-43. |
| | | 102-43 Approach to Stakeholder Engagement | How We Engage with Stakeholders. Page 42-43. |
| | | 102-44 Key Topics and Concerns Raised | How We Engage with Stakeholders. Page 42-43. |
| | | | |
| Reporting Practice | | | |
| | | 102-45 Entities Included in the Consolidated Financial Statements | Stock Highlights. Page 94-95. |
| | | 102-46 Defining Report Content and Topic Boundaries | Our Sustainability Focus. Page 38-39. |
| | | 102-47 List of Material Topics | Our Sustainability Focus. Page 38-39. |
| | | 102-48 Restatements of Information | Nutrition. Page 49. |
| | | | Accessibility. Page 50. |
| | | | Natural Resource Efficiency. Page 62. |
| | | | Environmental Impact Management. Page 64. |
| | | 102-49 Changes in Reporting | There are no significant changes in reporting. |
| | | 102-50 Reporting Period | About the Report. Page 4. |
| | | 102-51 Date of Most Recent Report | About the Report. Page 4. |
| | | 102-52 Reporting Cycle | About the Report. Page 4. |
| | | 102-53 Contact Point for Questions Regarding the Report | About the Report. Page 4. |
| | | 102-54 Claims of Reporting in Accordance with the GRI Standards | About the Report. Page 4. |
| | | 102-55 GRI Content Index | GRI Content Index. Page 107-111. |
| | | 102-56 External Assurance | No external assurance was conducted. |
| Material Topics | | Omission | |
| GRI Standard | Disclosure | Page Number or URL | Part Omitted Reason |
| GRI 200 Economic Standard Series | | | |
| Economic Performance | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | The Economic Value We Create. Page 46. | |
| | 103-2 The Management Approach and Its Components | The Economic Value We Create. Page 46. | |
| | 103-3 Evaluation of the Management Approach | The Economic Value We Create. Page 46. | |
| GRI 201: Economic Performance 2016 | 201-1 Direct Economic Value Generated and Distributed | The Economic Value We Create. Page 46. | |
| Indirect Economic Impacts | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Diversity and Inclusion. Page 67. | |
| | 103-2 The Management Approach and Its Components | Diversity and Inclusion. Page 67. | |
| | 103-3 Evaluation of the Management Approach | Diversity and Inclusion. Page 67. | |
| GRI 203: Indirect Economic Impacts 2016 | 203-2 Significant Indirect Economic Impacts | Diversity and Inclusion. Page 67. | |
| Procurement Practices | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Supplier Credibility and Raw Materials Traceability. Page 55-58. | |
| | 103-2 The Management Approach and Its Components | Supplier Credibility and Raw Materials Traceability. Page 55-58. | |
| | 103-3 Evaluation of the Management Approach | Supplier Credibility and Raw Materials Traceability. Page 55-58. | |
| Anti-corruption | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Code of Business Conduct and Ethics. Page 88-89. | |
| | 103-2 The Management Approach and Its Components | Code of Business Conduct and Ethics. Page 88-89. | |
| | 103-3 Evaluation of the Management Approach | Code of Business Conduct and Ethics. Page 88-89. | |

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| GRI 205: Anti-corruption 2016 | 205-1 Operations Assessed for Risks Related to Corruption | Risk Management. Page 90-91. | | |
| | 205-2 Communication and Training About Anti-Corruption Policies and Procedures | Code of Business Conduct and Ethics. Page 88-89. | | |
| | 205-3 Confirmed Incidents of Corruption and Actions Taken | There are no confirmed incidents of corruption. | | |
| Anti-Competitive Behavior | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Code of Business Conduct and Ethics. Page 88-89. | | |
| | 103-2 The Management Approach and Its Components | Code of Business Conduct and Ethics. Page 88-89. | | |
| | 103-3 Evaluation of the Management Approach | Code of Business Conduct and Ethics. Page 88-89. | | |
| GRI 206: Anti-Competitive Behavior 2016 | 206-1 Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices | Code of Business Conduct and Ethics. Page 88-89. | | |
| GRI 300 Environmental Standards Series | | | | |
| Materials | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Environmental Impact Management. Page 64-65. | | |
| | 103-2 The Management Approach and Its Components | Environmental Impact Management. Page 64-65. | | |
| | 103-3 Evaluation of the Management Approach | Environmental Impact Management. Page 64-65. | | |
| GRI 301: Materials 2016 | 301-3 Reclaimed Products and Their Packaging Materials | Environmental Impact Management. Page 64-65. | | |
| Energy | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Natural Resource Efficiency. Page 62. | | |
| | 103-2 The Management Approach and Its Components | Natural Resource Efficiency. Page 62. | | |
| | 103-3 Evaluation of the Management Approach | Natural Resource Efficiency. Page 62. | | |
| GRI 302: Energy 2016 | 302-1 Energy Consumption within the Organization | Natural Resource Efficiency. Page 62. | | |
| | 302-2 Energy Consumption Outside of the Organization | Natural Resource Efficiency. Page 62. | | |
| | 302-3 Energy Intensity | Natural Resource Efficiency. Page 62. | | |
| | 302-4 Reduction of Energy Consumption | Natural Resource Efficiency. Page 62. | | |
| | 302-5 Reductions in Energy Requirements of Products and Services | Natural Resource Efficiency. Page 62. | | |
| Water | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Natural Resource Efficiency. Page 62. | | |
| | 103-2 The Management Approach and Its Components | Natural Resource Efficiency. Page 62. | | |
| | 103-3 Evaluation of the Management Approach | Natural Resource Efficiency. Page 62. | | |
| GRI 303: Water 2016 | 303-5 Water Consumption | Natural Resource Efficiency. Page 62. | | |
| Emissions | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Environmental Impact Management. Page 64-65. | | |
| | 103-2 The Management Approach and Its Components | Environmental Impact Management. Page 64-65. | | |
| | 103-3 Evaluation of the Management Approach | Environmental Impact Management. Page 64-65. | | |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG Emissions | Environmental Impact Management. Page 64-65. | | |
| | 305-2 Indirect (Scope 2) GHG Emissions | Environmental Impact Management. Page 64-65. | | |
| | 305-4 GHG Emissions Intensity | Environmental Impact Management. Page 64-65. | | |
| | 305-5 Reduction of GHG Emissions | Environmental Impact Management. Page 64-65. | | |

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| Environmental Compliance | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Supplier Credibility and Raw Materials Traceability. Page 55-58. | | |
| | 103-2 The Management Approach and Its Components | Supplier Credibility and Raw Materials Traceability. Page 55-58. | | |
| | 103-3 Evaluation of the Management Approach | Supplier Credibility and Raw Materials Traceability. Page 55-58. | | |
| GRI 307: Environmental Compliance 2016 | 307-1 Non-Compliance with Environmental Laws and Regulations | There are no incidents of non-compliance with environmental laws and regulations. | | |
| Supplier Environmental Assessment | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Supplier Credibility and Raw Materials Traceability. Page 55-58. | | |
| | 103-2 The Management Approach and Its Components | Supplier Credibility and Raw Materials Traceability. Page 55-58. | | |
| | 103-3 Evaluation of the Management Approach | Supplier Credibility and Raw Materials Traceability. Page 55-58. | | |
| GRI 400 Social Standards Series | | | | |
| Employment | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Diversity and Inclusion. Page 67. | | |
| | 103-2 The Management Approach and Its Components | Diversity and Inclusion. Page 67. | | |
| | 103-3 Evaluation of the Management Approach | Diversity and Inclusion. Page 67. | | |
| Training and Education | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Professional and Personal Growth. Page 68-69. | | |
| | 103-2 The Management Approach and Its Components | Professional and Personal Growth. Page 68-69. | | |
| | 103-3 Evaluation of the Management Approach | Professional and Personal Growth. Page 68-69. | | |
| GRI 404: Training and Education 2016 | 404-1 Average Hours of Training Per Year Per Employee | Professional and Personal Growth. Page 68-69. | | |
| | 404-2 Programs for Upgrading Employee Skills and Transition Assistance Programs | Professional and Personal Growth. Page 68-69. | | |
| Diversity and Equal Opportunity | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Diversity and Inclusion. Page 67. | | |
| | 103-2 The Management Approach and Its Components | Diversity and Inclusion. Page 67. | | |
| | 103-3 Evaluation of the Management Approach | Diversity and Inclusion. Page 67. | | |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of Governance Bodies and Employees | Diversity and Inclusion. Page 67. Corporate Governance. Page 84. | | |
| Non-Discrimination | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Diversity and Inclusion. Page 67. | | |
| | 103-2 The Management Approach and Its Components | Diversity and Inclusion. Page 67. | | |
| | 103-3 Evaluation of the Management Approach | Diversity and Inclusion. Page 67. | | |
| GRI 406: Non-Discrimination 2016 | 406-1 Incidents of Discrimination and Corrective Actions Taken | There are no incidents of discrimination. | | |
| Security Practices | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | https://www.centurypacific.com.ph/investorpdf/SEC%20Filings/CNPF_Policy%20Statement%20on%20Human%20Rights.pdf | | |
| | 103-2 The Management Approach and Its Components | https://www.centurypacific.com.ph/investorpdf/SEC%20Filings/CNPF_Policy%20Statement%20on%20Human%20Rights.pdf | | |
| | 103-3 Evaluation of the Management Approach | https://www.centurypacific.com.ph/investorpdf/SEC%20Filings/CNPF_Policy%20Statement%20on%20Human%20Rights.pdf | | |
| GRI 410: Security Practices 2016 | 410-1 Security Personnel Trained in Human Rights Policies or Procedures | https://www.centurypacific.com.ph/investorpdf/SEC%20Filings/CNPF_Policy%20Statement%20on%20Human%20Rights.pdf | | |
| Rights of Indigenous Peoples | | | | |

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| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Diversity and Inclusion. Page 67. | | |
| | 103-2 The Management Approach and Its Components | Diversity and Inclusion. Page 67. | | |
| | 103-3 Evaluation of the Management Approach | Diversity and Inclusion. Page 67. | | |
| GRI 411: Rights of Indigenous Peoples 2016 | 411-1 Incidents of Violations Involving Rights of Indigenous Peoples | There are no incidents of violations involving the rights of indigenous peoples. | | |
| Local Communities | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Community Development. Page 71-72. | | |
| | 103-2 The Management Approach and Its Components | Community Development. Page 71-72. | | |
| | 103-3 Evaluation of the Management Approach | Community Development. Page 71-72. | | |
| GRI 413: Local Communities 2016 | 413-1 Operations with Local Community Engagement, Impact Assessments, and Development Programs | Community Development. Page 71-72. | | |
| Supplier Social Assessment | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Supplier Credibility and Raw Materials Traceability. Page 55-58. | | |
| | 103-2 The Management Approach and Its Components | Supplier Credibility and Raw Materials Traceability. Page 55-58. | | |
| | 103-3 Evaluation of the Management Approach | Supplier Credibility and Raw Materials Traceability. Page 55-58. | | |
| Customer Health and Safety | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Nutrition. Page 49. | | |
| | | Food Quality and Safety. Page 52-53. | | |
| | 103-2 The Management Approach and Its Components | Nutrition. Page 49. | | |
| | | Food Quality and Safety. Page 52-53. | | |
| | 103-3 Evaluation of the Management Approach | Nutrition. Page 49. | | |
| | | Food Quality and Safety. Page 52-53. | | |
| GRI 103: Management Approach 2016 | 416-1 Assessment of the Health and Safety Impacts of Product and Service Categories | Nutrition. Page 49. Food Quality and Safety. Page 52-53. | | |
| | 416-2 Incidents of Non-Compliance Concerning the Health and Safety Impacts of Products and Services | There are no incidents of non-compliance concerning the health and safety of our products. | | |
| Marketing and Labeling | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | Product Innovation, Design, and Lifecycle Management. Page 51. | | |
| | | Food Quality and Safety. Page 52-53. | | |
| | 103-2 The Management Approach and Its Components | Product Innovation, Design, and Lifecycle Management. Page 51. | | |
| | | Food Quality and Safety. Page 52-53. | | |
| | 103-3 Evaluation of the Management Approach | Product Innovation, Design, and Lifecycle Management. Page 51. | | |
| | | Food Quality and Safety. Page 52-53. | | |
| GRI 103: Management Approach 2016 | 417-1 Requirements for Product and Service Information and Labeling | Product Innovation, Design, and Lifecycle Management. Page 51. Food Quality and Safety. Page 52-53. | | |
| | 417-2 Incidents of Non-Compliance Concerning Product and Service Information and Labeling | There are no incidents of non-compliance concerning product information and labeling. | | |
| | 417-3 Incidents of Non-Compliance Concerning Marketing Communications | There are no incidents of non-compliance concerning marketing communications. | | |
| Customer Privacy | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the Material Topic and Its Boundary | https://www.centurypacific.com.ph/corporatepolicy | | |
| | 103-2 The Management Approach and Its Components | https://www.centurypacific.com.ph/corporatepolicy | | |
| | 103-3 Evaluation of the Management Approach | https://www.centurypacific.com.ph/corporatepolicy | | |
| GRI 418: Customer Privacy 2016 | 418-1 Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data | https://www.centurypacific.com.ph/corporatepolicy | | |

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Sustainability and
Annual Report 2019

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