Exhibit 2

Supplementary Schedules to the Consolidated Financial Statements For the year ended December 31, 2021

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES

INDEX TO SUPPLEMENTARY SCHEDULES

FORM 17-A

Supplementary Schedules

NavarroAmper&Co.

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BOA/PRC Reg. No. 0004
SEC Accreditation No. 0004-SEC

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

To the Board of Directors and Shareholders
HOLCIM PHILIPPINES, INC. AND ITS SUBSIDIARIES
7/F Two World Square, McKinley Hill
Fort Bonifacio, Taguig City

We have audited the consolidated financial statements of Holcim Philippines, Inc. and its Subsidiaries (the "Group") as at and for the years ended December 31, 2021 and 2020, in accordance with Philippine Standards on Auditing on which we have rendered an unqualified opinion dated March 16, 2022.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on the attached Schedule showing Supplementary information shown in schedules A, B, C, D, E, F, G, and H as at and for the year ended December 31, 2021, as required by the Securities and Exchange Commission under the Revised SRC Rule 68, is presented as additional analysis and is not a required part of the basic financial statements. Such supplementary information is the responsibility of Management and has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Navarro Amper & Co.
BOA Registration No. 0004, valid from June 7, 2021 to September 22, 2024
SEC A.N. 0004-SEC, issued on December 7, 2021; Group A, valid to audit 2021 to 2025 financial statements
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. 08-002552-18-2020, issued on December 28, 2020; effective until December 27, 2023
PTR No. A-5334276, issued on January 4, 2022, Taguig City

Taguig City, Philippines
March 16, 2022

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INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDESS INDICATORS

To the Board of Directors and Shareholders
HOLCIM PHILIPPINES, INC. AND ITS SUBSIDIARIES
7/F, Two World Square, McKinley Hill
Fort Bonifacio, Taguig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Holcim Philippines, Inc. and its Subsidiaries ("the Group") as at December 31, 2021 and 2020 and for each of the three years in the period ended December 31, 2021, and have issued our report thereon dated March 3, 2022. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code (SRC) Rule 68 issued by the Securities and Exchange Commission (SEC) and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2021 and 2020 and for each of the three years in the period ended December 31, 2021 and no material exceptions were noted. [See Note A below]

Navarro Amper & Co.
BOA Registration No. 0004, valid from June 7, 2021 to September 22, 2024
SEC A.N. 0004-SEC, issued on December 7, 2021; Group A, valid to audit 2021 to 2025 financial statements
TIN 005299331

By:

Bonifacio F. Lumacang, Jr.
Partner
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PTR No. A-5334276, issued on January 4, 2022, Taguig City

Taguig City, Philippines
March 16, 2022

RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DECLARATION
December 31, 2021

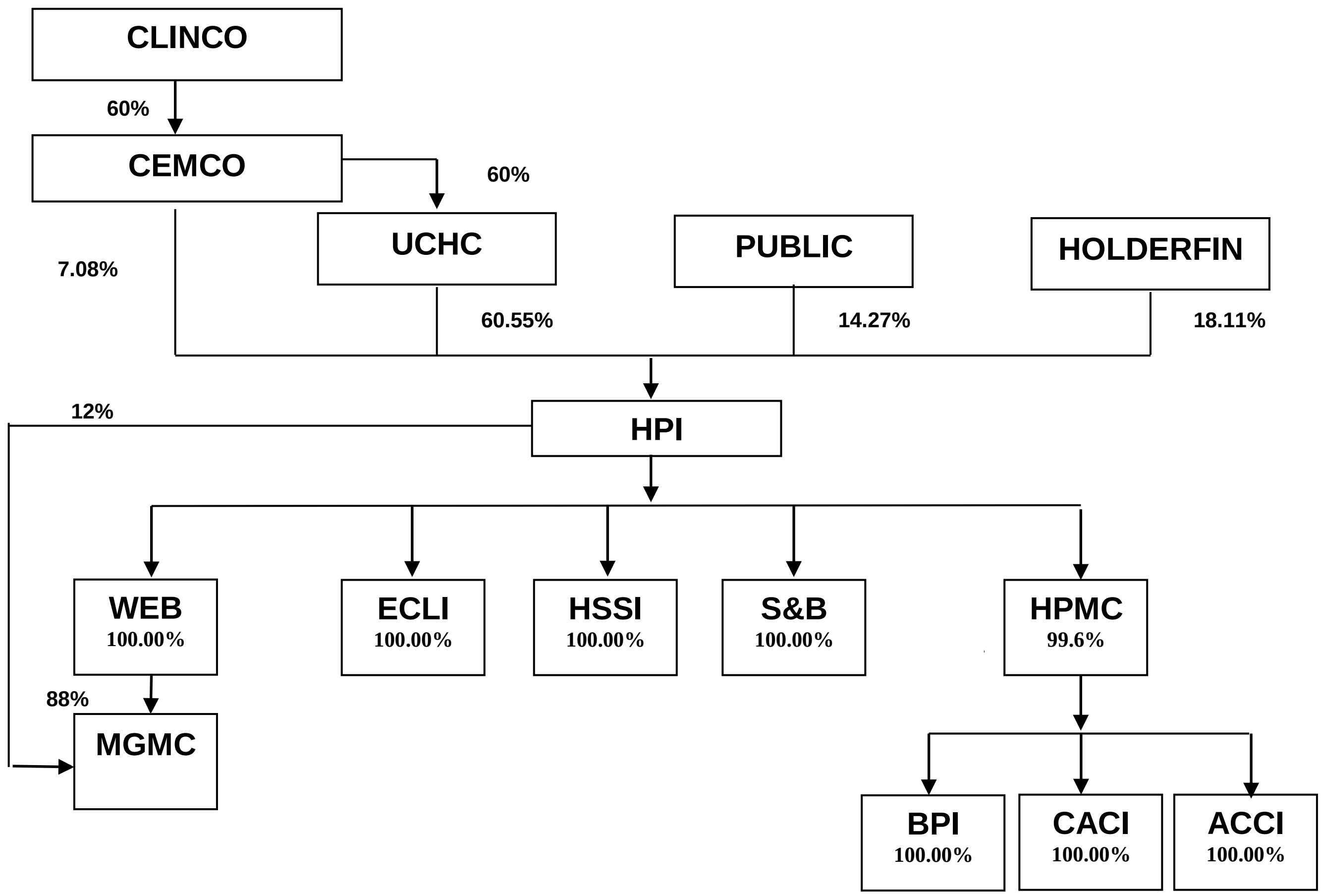
Holcim Philippines, Inc.
7th Floor, Two World Square, Mckinley Hill, Fort Bonifacio, Taguig City

Items		Amount
		(In Thousands)
Unappropriated retained earnings, beginning		7,593,291
Adjustments:		
Deferred tax asset		(245,309)
Unappropriated retained earnings, as adjusted, beginning		7,347,982
Net Income based on the face of AFS		2,519,470
Less: Non-actual/Unrealized income net of tax**		
Unrealized foreign exchange gain net (except those attributable to Cash and Cash equivalent)	(1,744)	
Add: Non-actual losses		
Deferred tax expense charged to profit or loss as a result of certain transactions accounted for under the PFRS	70,590	68,846
Net income actual/realized		2,588,316
Less: Dividend Declaration during the period		(2,774,403)
Unappropriated Retained Earnings, as Adjusted, End		**7,161,895**

Company: Holcim Philippines Inc. (HPI)

Illustration of relationships between the company and its ultimate parent company, middle parent, and it's subsidiaries

As of December 31, 2021



COMPANY NAME		PRINCIPAL ACTIVITIES
CLINCO	Clinco Corporation	Investment holding in CEMCO
CEMCO	Cemco Holdings, Inc.	Investment holding in UCHC and HPI
UCHC	Union Cement Holdings Corporation	Investment holding in HPI
HPI	Holcim Philippines, Inc.	Manufacture and distribute cement products
HPMC	Holcim Philippines Manufacturing Corporation	Manufacture and distribute cement products
BPI	Bulkcem Philippines, Inc.	Purchase, lease, sale of real properties
CACI	Calamba Aggregates Co., Inc.	Mining, Processing and sale of quarry resources
ACCI	Alsons Construction Chemical, Inc.	Manufacture, use and sale of admixtures
WEB	Wellbourne International Group Limited	Investment holding in MGMC
MGMC	Mabini Ginding Mill Corporation	Manufacture and distribute cement products
ECLI	Excel Concrete Logistics, Inc.	Distribution of concrete and cement products
S&B	Shop and Build Corporation *(formerly Holcim Philippines Business Services Center Inc.)*	Retail operations
HSSI	Hubb Stores and Services, Inc.	Retail operations

HOLCIM PHILIPPINES, INC., AND ITS SUBSIDIARIES
As of December 31, 2021

Ratio	Formula		Current Year	Prior Year
Current ratio	**Total Current Assets divided by Total Current Liabilities (in billions '000,000')**		81%	79%
	Total Current Assets	**7,164**		
	Divide by: Total Current Liabilities	**8,886**		
	Current ratio	**0.81**		
Acid test ratio	**Quick assets (Total Current Assets Less Inventories and Prepayments) divided by Total Current Liabilities**		30%	50%
	Total Current Assets	**7,164**		
	Less: Inventories	**(4,347)**		
	Prepayments	**(142)**		
	Quick assets	**2,675**		
	Divide by: Total Current Liabilities	**8,886**		
	Acid test ratio	**0.30**		
Debt-to-equity ratio	**Total Debt divided by Total Stockholder's Equity (in billions '000,000')**		35%	40%
	Total Debt	**10,547**		
	Divide by: Total Stockholder's Equity	**29,804**		
	Debt-to-Equity ratio	**0.35**		
Asset-to-equity ratio	**Total Asset divided by Total Stockholder's Equity (in billions '000,000')**		135%	140%
	Total Asset	**40,351**		
	Divide by: Total Stockholder's Equity	**29,804**		
	Asset-to-Equity ratio	**1.39**		
Interest rate coverage ratio	**Earnings before Interest, Taxes, and Depreciation divided by Interest Charges (in billions '000,000')**		40%	13%
	Earnings before Interest, Taxes, and Depreciation	**5,412**		
	Divide by: Interest Charges	**135**		
	Interest Rate Coverage Ratio	**40**		
Return on equity	**Net Income divided by Average Total Equity (in billions '000,000')**		8.6%	7.2%
	Net Income	**2,565**		
	Divide by: Average Total Equity	**29,718**		
	Return on Equity	**0.086**		
Return on assets	**Net Income divided by Average Total Assets (in billions '000,000')**		6.3%	4.8%
	Net Income	**2,565**		
	Divide by: Average Total Assets	**40,858**		
	Return on Assets	**0.063**		
Operating EBITDA Margin	**Earnings before Interest, Taxes, and Depreciation divided by Net Sales (in billions '000,000')**		20%	18%
	Net Profit	**5,412**		
	Divide by: Sales	**26,946**		
	Net Profit	**0.20**		

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES

Schedule A. Financial Assets
For the Year Ended December 31, 2021
(Amounts in Thousands)

Name of Issuing Company and Association of Each Issue	Number of Units or Shares or Principal Amount of Bonds and Notes	Amount Shown in the Statements of Financial Position	Value Based on Market Quotations at Reporting Date	Income Received and Accrued
	N/A	N/A	N/A	N/A
	-	-	-	-

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES

Schedule B. **Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)**
For the Year Ended December 31, 2021
(Amounts in Thousands)

Name and Designation of Debtor	Beginning Balance	Additions	Deductions		Offset of due to related parties	Current	Non Current	Ending Balance
			Amount Collected	Amount Written-Off				
Directors, Officers and Employees	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Advances to Directors, Officers and Employees	-	-	-	-	-	-	-	-
Accounts Receivable from related parties								
Holcim East Asia Business Service Centre, B.V. - Philipp	₱ 900	-	(900)	-		-	-	-
Associates	1,433,009	271,745	(42,187)	-	(1,009,753)	652,814	-	652,814
Other Holcim Group Affiliates	85,180	-	(85,049)	-		131	-	131
	1,519,089	271,745	(128,136)	-	(1,009,753)	652,945	-	652,945
Loan receivable								
Cemco Holdings, Inc. (Due on September 28,2026 @ 3.096% pa interest)	₱ 465,657	1,845	(227,076)	-	-	-	240,426	240,426
Related Parties	1,984,746	273,590	(355,212)	-	-	652,945	240,426	893,371

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES

Schedule C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
For the Year Ended December 31, 2021
(Amounts in Thousands)

Name and Designation of Debtor	Beginning Balance	Additions	Amounts Collected	Reclassification from Due to related parties	Amounts Written Off/Impaired	Current	Non Current	Balance at the End of Period
Holcim Philippines Manufacturing Corporation								
Due from:								
Excel Concrete Logistics Inc.	1,785	-	-	-	(1,785)	-	-	-
Holcim Philippines, Inc.	1,838,009	459,570	-	-	-	2,297,579	-	2,297,579
	1,839,794	459,570	-	-	(1,785)	2,297,579	-	2,297,579
Holcim Philippines, Inc.								
Due from:								
Bulkcem Philippines, Inc.	214		-	-	-	214	-	214
Holcim Philippines Manufacturing Corp.	496,125	105,028	-	-	-	601,153	-	601,153
Excel Concrete Logistics Inc.	178,798	-	(18,050)	(142,620)	(18,128)	-	-	-
Hubb Stores and Services, Inc.	438,374	-	-	(178,199)	(260,175)	(0)	-	(0)
	1,113,511	105,028	(18,050)	(320,819)	(278,303)	601,367	-	601,367
Hubb Stores and Services, Inc.								
Due from:								
Holcim Philippines, Inc.	20,767	-	-	(20,767)	-	-	-	-
Excel Concrete Logistics Inc.	11	-	-	(11)	-	-	-	-
	20,778	-	-	(20,778)	-	-	-	-
Bulkcem Philippines, Inc.								
Due from:								
Holcim Philippines, Inc.	21,731	7,238	(1,206)	-	-	27,763	-	27,763
Holcim Philippines Manufacturing Corp.	16,665	-	-	-	-	16,665	-	16,665
	38,396	7,238	(1,206)	-	-	44,428	-	44,428
Excel Concrete Logistics Inc.								
Due from:								
Holcim Philippines, Inc.	27,219	368	-	(27,219)	-	368	-	368
Hubb Stores and Services, Inc.	1,793	-	-	(11)	(1,782)	-	-	-
	29,012	368	-	(27,230)	(1,782)	368	-	368
Mabini Grand Mill Co.								
Due from:								
Holcim Philippines, Inc.	472,183	184,800	(14,095)	-	-	642,888	-	642,888
	472,183	184,800	(14,095)	-	-	642,888	-	642,888

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES

Schedule D. Long-Term Debt
For the Year Ended December 31, 2021
(Amounts in Thousands)

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown as Current	Amount Shown as Long-Term	Remarks
	NIL	NIL	NIL	
	-	-	-	

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES

Schedule E. Indetebtedness to Related Parties (Long-term Loans from Related Companies)
For the Year Ended December 31, 2021
(Amounts in Thousands)

Name of Related Party	Beginning Balance	Balance at the End of Period
	₱ NIL	₱ NIL
	-	-

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES

Schedule F. Guarantees of Securities of Other Issuers
For the Year Ended December 31, 2021
(Amounts in Thousands)

Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is Filed	Title of Issue of each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for which Statement is Filed	Nature of Guarantee
	NIL	₱ NIL	₱ NIL	NIL
	-	-	-	-

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES
Schedule G. Capital Stock
For the Year Ended December 31, 2021

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares Reserved for Options, Warrants, Conversions and Other Rights	Affiliates	Number of Shares Held by Directors, Officers and Employees	Others	
Preferred Shares	20,000,000	-	-	-	-	-	
Common Shares	9,980,000,000	6,452,099,144	-	5,531,566,062	3,007	920,530,075	5,339,074,435
	10,000,000,000	6,452,099,144	-	5,531,566,062	3,007	920,530,075	

Exhibit 3

SEC Form 17-Q

For the quarters ended

March 31, June 30, September 30 and December 2021

COVER SHEET

2	6	1	2	6

SEC Registration Number

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES

(Company's Full Name)

7th Floor, Two World Square, Mckinley Hill, Fort Bonifacio, Taguig City

(Business Address: No. Street City/Town/Province)

Dennis G. Segovia Jr.		8581-1511
(Contact Person)	(1st Quarter 2021)	(Company Telephone Number)

0 3 / 3 1	SEC FORM 17-Q	
Month *Day*	For the quarter ended March 31, 2021	*Month* *Day*
(Fiscal Year)	(Form Type)	(Annual Meeting)

(Secondary License Type, If Applicable)

CFD	–
Dept. Requiring this Doc.	Amended Articles Number/Section

Total Amount of Borrowings

5,252		
Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

Remarks: Please use BLACK ink for scanning purposes.

SEC Form 17Q
February 2001

SECURITIES AND EXCHANGE COMMISSION

FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended March 31, 2021

2. Commission identification number 026126 3. BIR Tax Identification No 000-121-507-000

4. Exact name of issuer as specified in its charter HOLCIM PHILIPPINES, INC.

5. Province, country or other jurisdiction of incorporation or organization Republic of the Philippines
6. Industry Classification Code: (SEC Use Only)

7. Address of issuer's principal office Postal Code

   7th Floor Two World Square, McKinley Hill, Fort Bonifacio, Taguig City 1634
8. Issuer's telephone number, including area code (632) 8581-1511
9. Former name, former address and former fiscal year, if changed since last report N. A.

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	6,452,099,144

11. Are any or all of the securities listed on a Stock Exchange?

    Yes [x] No [ ]

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

    Philippine Stock Exchange, Inc. Common Shares

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

    Yes [x] No [ ]

    (b) has been subject to such filing requirements for the past ninety (90) days.

    Yes [x] No [ ]

PART I- FINANCIAL INFORMATION

Item 1. Financial Statements.

Exhibit I – Consolidated Balance Sheets as of March 31, 2021 and December 31, 2020
Exhibit II – Consolidated Statements of Income for the quarters ended March 31, 2021 and 2020
Exhibit III – Consolidated Statements of Comprehensive Income for the quarters ended March 31, 2021 and 2020
Exhibit IV – Consolidated Statements of Changes in Stockholders' Equity for the quarters ended March 31, 2021 and 2020
Exhibit V – Consolidated Statements of Cash Flows for the quarters ended March 31, 2021 and 2020
Exhibit VI – Aging of Trade and Other Receivables as of March 31, 2021

Exhibit I

HOLCIM PHILIPPINES, INC.
CONSOLIDATED BALANCE SHEETS
As of March 31, 2021 and December 31, 2020
(In Thousands)

	31 Mar 2021	31 Dec 2020
ASSETS		
Current Assets		
Cash and cash equivalents	₱ 2,715,017	₱ 2,080,791
Trade and other receivables - net	2,568,497	2,601,420
Inventories	2,702,325	2,851,169
Short-term financial receivables	465,671	465,657
Other current assets	686,730	417,775
Total Current Assets	**9,138,240**	**8,416,812**
Noncurrent Assets		
Investments	4,344,628	4,299,259
Property, plant and equipment – net	19,354,913	19,525,534
Right-of-use assets	1,777,577	1,866,896
Goodwill	2,635,738	2,635,738
Intangibles – net	17,777	19,445
Retirement assets – net	2,139,366	2,161,204
Other noncurrent assets	2,388,789	2,440,534
Total Noncurrent Assets	**32,658,788**	**32,948,610**
	₱41,797,028	**₱41,365,422**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Trade and other payables	8,491,205	9,301,296
Current portion of lease liabilities	1,165,247	1,218,146
Income tax payable	423,522	161,427
Total Current Liabilities	**10,079,974**	**10,680,869**
Noncurrent Liabilities		
Long-term lease liabilities	849,926	841,920
Provisions	79,211	74,479
Deferred tax liabilities – net	246,037	136,099
Total Noncurrent Liabilities	**1,175,174**	**1,052,498**
Equity Attributable to Equity Holders of Parent		
Capital stock	6,452,099	6,452,099
Additional paid-in capital	8,476,002	8,476,002
Remeasurement loss on retirement benefits - net	1,423,446	1,423,446
Other reserves	4,050	4,050
Retained earnings	14,170,248	13,261,328
	30,525,845	**29,616,925**
Noncontrolling Interest	**16,035**	**15,130**
Total Stockholders' Equity	**30,541,880**	**29,632,055**
	₱41,797,028	**₱41,365,422**

Exhibit II

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF INCOME
For the quarters ended March 30, 2021 and 2020
(In Thousands, Except Per Share Data)

	Quarter Ended	
	Jan-Mar 2021	**Jan-Mar 2020**
Net Sales	**₱ 6,805,794**	**₱7,270,481**
Cost of sales	4,804,270	5,716,573
Gross Profit	**2,001,524**	**1,553,908**
Operating expenses	285,022	358,324
Operating EBITDA	**1,716,502**	**1,195,584**
Depreciation and amortization	442,369	439,607
Profit from Operations	**1,274,133**	**755,977**
Other income (expenses)		
Net financial expense	(22,988)	(92,736)
Other income (expense) - net	63,285	30,542
Total	40,297	(62,194)
Profit before Income Tax	**1,314,430**	**693,783**
Provision for income tax		
Current	328,605	218,048
Deferred	76,478	(25,808)
	405,083	192,240
Profit for the Period	**909,347**	**501,543**
Noncontrolling interest	(427)	(237)
Profit for the period attributable to Equity holders of the Parent Company	**₱ 908,920**	**₱501,306**

Basic/Diluted Earnings Per Share (EPS)		
Computation of EPS:		
(a) Profit for the period attributable to Equity holders of the parent company	**₱908,920**	**₱501,306**
(b) Common shares issued and outstanding	**6,452,099**	**6,452,099**
EPS [(a)/(b)]	**₱0.14**	**₱0.08**

Exhibit III

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the quarters ended March 31, 2021 and 2020
(In Thousands)

	Quarter Ended	
	Jan-Mar 2021	**Jan-Mar 2020**
Total Comprehensive Income	**₱909,347**	**₱501,543**
Attributable to:		
Equity holders of Parent Company	908,442	500,622
Noncontrolling interest	905	921
Total Comprehensive Income	**₱909,347**	**₱501,543**

Exhibit IV

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the three (3) months ended March 31, 2021 and 2020
(In Thousands)

	Jan-Mar 2021	**Jan-Mar 2020**
Capital Stock		
Common Stock		
Balance at beginning of period	₱6,452,099	₱6,452,099
Issuances (Retirement)	-	-
Balance at end of period	**6,452,099**	**6,452,099**
Additional Paid-in Capital		
Balance at beginning of period	8,476,002	8,476,002
Issuances (Retirement)	-	-
Balance at end of period	**8,476,002**	**8,476,002**
Other comprehensive income	**1,423,446**	**1,624,206**
Other reserves	**4,050**	**4,475**
Retained Earnings		
Balance at beginning of period	13,261,328	11,199,025
Profit for the Period	908,920	501,306
Balance at end of period	**14,170,248**	**11,700,331**
Noncontrolling Interest	**16,035**	**12,881**
	₱30,541,880	**₱28,269,994**

Exhibit V

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three (3) months ended March 31, 2021 and 2020
(In Thousands)

	Jan-Mar 2021	Jan-Mar 2020
Operating Activities		
Profit before Income Tax	**₱1,314,430**	**₱ 693,783**
Adjustments to reconcile profit to cash		
Depreciation and amortization	442,369	439,607
Other items (net)	(198,057)	(107,436)
Changes in current assets and liabilities	(730,775)	(616,839)
Cash provided by operating activities	**827,967**	**409,115**
Investing Activities		
Additions to plant, property and equipment	(146,777)	(321,885)
Increase in other investing activities	51,742	2,668
Cash used in investing activities	**(95,035)**	**(319,217)**
Financing Activities		
Repayment of long-term leases	(100,961)	(71,584)
Proceeds from short-term loans	–	3,800,000
Cash provided (used in) financing activities	**(100,961)**	**3,728,416**
Net increase in cash and cash equivalents	**631,971**	**3,818,314**
Cash and cash equivalents, beginning	**2,080,791**	**2,961,897**
Effect of exchange rate changes on cash and cash equivalents	**2,255**	**1,410**
Cash and cash equivalents, end	**₱2,715,017**	**₱6,781,621**

Exhibit VI

HOLCIM PHILIPPINES, INC
Aging of Trade and Other Receivables
As of March 31, 2021
(In Thousands)

	Total	Current	1-30 days	31-60 days	Over 60 days
Trade Receivables	**₱ 781,353**	**₱721,602**	**₱37,285**	**₱ 8,138**	**₱ 14,328**
Other Receivables	**1,850,817**	**220,060**	**7,149**	**20,314**	**1,603,294**
Total		**₱941,662**	**₱44,434**	**₱28,452**	**₱1,617,622**
Allowance for Doubtful Accounts	**(63,673)**				
Net Receivables	**₱2,568,497**				

Certified correct:

Jesusa Natividad L. Rojas
Chief Financial Officer

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

At the end of the first quarter, the Group posted net sales of ₱6.8 billion, lower by 6% compared to ₱7.3 billion reported in the same period last year. This is due to lower volume as cement demand and construction activity remain muted due to the pandemic.

The Group reported total EBITDA of ₱1.7 billion, higher by 44% as compared to ₱1.2 billion reported during the same period last year. Efficiency gains and strong cost discipline helped the Company manage the impact of rising costs of fuel, power and freight, as well as and other business challenges such as logistical bottlenecks caused by renewed restrictions in response to the surge in COVID-19 cases in March. The Group managed to incur lower financial expenses related to its short-term payables and lease liabilities. Net income after tax stood at ₱0.9 billion giving earnings per share of ₱0.14.

Financial Position

The Group's financial position has remained healthy with stable liquid cash position. The return on assets rose to 2.2% as of March 31, 2021 which is 1.1% higher from the end of 2020 as a result of higher net income. Total assets stood at ₱41.8 billion as of March 31, 2021, 1% higher from end of 2020.

Cash Flow Generation

The Group's cash requirements were mainly sourced through cash from operating activities. As of March 31, 2021, there are no outstanding third party and related loan payables as these were settled in full. Please refer to the attached statement of cash flow for details.

Key Performance Indicators

The comparative financial KPI's of the Group for the periods ended March 31, 2021 and 2020 were as follows:

Financial KPI	Definition	For the period ended March 31	
		2021	2020
Profitability			
Return on Equity (ROE)	Net Income / Ave. Total Shareholders' Equity	3.0%	1.8%
Return on Asset (ROA)	Net Income / Average Total Assets	2.2%	1.1%
Efficiency			
EBITDA Margin	Operating EBITDA / Net Sales	25.2%	16.4%
Liquidity			
Gearing	Net Financial Debt (Asset) / Stockholders' Equity	(7.9%)	4.5%
EBITDA Net Interest Cover	Operating EBITDA / Net Interest	142.5 times	12.8 times

Profitability and Efficiency

Profitability and efficiency indicators have increased as compared to the same period last year due to higher income generated from operations.

Liquidity

The Group's liquidity position remains strong as evidenced by higher cash balance.

Notes to Financial Statements

1. *Summary of Significant Accounting Policies*

These condensed consolidated interim financial statements have been prepared in accordance with PAS 34 *Interim Financial Reporting* and do not include all of the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2020.

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following amendments effective after the reporting period ended December 31, 2020:

PFRS 17, *Insurance Contracts*

PFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of PFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

The key principles in PFRS 17 are that an entity:

- identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder;
- separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;
- divides the contracts into groups that it will recognize and measure;
- recognizes and measures groups of insurance contracts at:
  i. a risk-adjusted present value of the future cash flows (the fulfillment cash flows) that incorporates all of the available information about the fulfillment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset)
  ii. an amount representing the unearned profit in the group of contracts (the contractual service margin);
- recognizes the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognizes the loss immediately;
- presents separately insurance revenue (that excludes the receipt of any investment component), insurance service expenses (that excludes the repayment of any investment components) and insurance finance income or expenses; and
- discloses information to enable users of financial statements to assess the effect that contracts within the scope of PFRS 17 have on the financial position, financial performance and cash flows of an entity.

PFRS 17 includes an optional simplified measurement approach, or premium allocation approach, for simpler insurance contracts.

The standard is effective for periods beginning on or after January 1, 2022. Earlier application is permitted.

The adoption of the new standard does not have an impact on the Group for it is not an issuer of insurance contracts.

Amendments to PFRS 3, *References to the Conceptual Framework*

The amendments update PFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to PFRS 3 a requirement that, for obligations within the scope of PAS 37, an acquirer applies PAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after January 1, 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PFRS 10 and PAS 28*, Sale or Contribution of Assets between and Investor and Its Associate or Joint Venture*

The amendments to PFRS 10 and PAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognized in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments to PAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PAS 16, *Property, Plant and Equipment – Proceeds before Intended Use*

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognizes such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with PAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. PAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PAS 37, *Onerous Contracts – Cost of Fulfilling a Contract*

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

Annual Improvements to PFRS Standards 2018-2020 Cycle

Amendments to PFRS 1 – *Subsidiary as a first-time adopter*

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in PFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to PFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in PFRS 1:D16(a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to PFRS 9 – *Fees in the '10 per cent' test for derecognition of financial liabilities*

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to PFRS 16 – *Lease Incentives*

The amendment removes the illustration of the reimbursement of leasehold improvements.

As the amendment to PFRS 16 only regards an illustrative example, no effective date is stated.

Amendments to PAS 41 – *Taxation in fair value measurements*

The amendment removes the requirement in PAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in PAS 41 with the requirements of PFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

New Accounting Standards Effective in 2020 - Adopted by Financial Reporting Standards Council (FRSC) but pending for approval by the Board of Accountancy.

The Company will adopt the following standards once these become effective.

PIC Q&A No. 2019-04, *Conforming Changes to PIC Q&As – Cycle 2019*

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

<u>PIC Q&As Amended</u>

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
PIC Q&A No. 2011-05: PFRS 1 – Fair Value or Revaluation as Deemed Cost	Updated because of applying PFRS 16, Leases, for the first time starting January 1, 2019

PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	Reference to PAS 40, Investment Property, has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2012-02: Cost of a new building constructed on the site of a previous building	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2017-02: PAS 2 and PAS 16 - Capitalization of operating lease cost as part of construction costs of a building	Updated to comply with the provisions of PFRS 16 and renamed as PIC Q&A No. 2017-02: PAS 2 and PAS 16 - Capitalization of depreciation of right-of-use asset as part of construction costs of a building
PIC Q&A No. 2017-10: PAS 40 - Separation of property and classification as investment property	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2018-05: PAS 37 - Liability arising from maintenance requirement of an asset held under a lease	Updated to comply with the provisions of PFRS 16
PIC Q&A No. 2018-15: PAS 1- Classification of Advances to Contractors in the Nature of Prepayments: Current vs. Non-current	Reference to PAS 40 (included as an attachment to the Q&A) has been updated because of applying PFRS 16 for the first time starting January 1, 2019.

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2017-09: PAS 17 and Philippine Interpretation SIC-15 - Accounting for payments between and among lessors and lessees	This PIC Q&A is considered withdrawn starting January 1, 2019, which is the effective date of PFRS 16. PFRS 16 superseded PAS 17, Leases, and Philippine Interpretation SIC-15, Operating Leases - Incentives
PIC Q&A No. 2018-07: PAS 27 and PAS 28 - Cost of an associate, joint venture, or subsidiary in separate financial statements	This PIC Q&A is considered withdrawn upon publication of IFRIC agenda decision - Investment in a subsidiary accounted for at cost: Step acquisition (IAS 27 Separate Financial Statements) in January 2019.

The effective date of the amendments is included in the affected interpretations.

The management of the Group is still evaluation the impact of the interpretation.

PIC Q&A No. 2019-06, *Accounting for step acquisition of a subsidiary in a parent*

The interpretation clarifies how a parent should account for the step acquisition of a subsidiary in its separate financial statements.

Salient points of the interpretation are the following:

IFRIC concluded either of the two approaches may be applied:

- Fair value as deemed cost approach

  Under this approach, the entity is exchanging its initial interest (plus consideration paid for the additional interest) for a controlling interest in the investee (exchange view). Hence, the entity's investment in subsidiary is measured at the fair value at the time the control is acquired.

- Accumulated cost approach

  Under this approach, the entity is purchasing additional interest while retaining the initial interest (non-exchange view). Hence, the entity's investment in subsidiary is measured at the accumulated cost (original consideration).

  Any difference between the fair value of the initial interest at the date of obtaining control of the subsidiary and its original consideration is taken to profit or loss, regardless of whether, before the step acquisition transaction, the entity had presented subsequent changes in fair value of its initial interest in profit or loss or other comprehensive income (OCI).

The interpretation is effective for periods beginning on or after October 19, 2019.

The amendments will not have an impact on the Group's financial statements as the Group has no plans for a step acquisition of a subsidiary.

PIC Q&A No. 2019-07, *Classification of Members' Capital Contributions of Non-Stock Savings and Loan Associations (NSSLA)*

The Bangko Sentral ng Pilipinas (BSP) issued Circular No. 1045 on August 29, 2019 to amend the Manual of Regulations for Non-Bank Financial Institutions Applicable to Non-Stock Savings and Loan Associations (MORNBFI-S) – Regulatory Capital of Non-Stock Savings and Loan Associations (NSSLAs) and Capital Contributions of Members.

Under the Circular, each qualified member of an NSSLA shall maintain only one capital contribution account representing his/her capital contribution. While only one capital account is maintained, the Circular breaks down a member's capital contributions as follows:

a. Fixed capital which cannot be reduced for the duration of membership except upon termination of membership. The minimum amount of fixed capital is Php1,000, but a higher minimum can be prescribed under the NSSLA's by-laws.
b. Capital contribution buffer, which pertains to capital contributions in excess of fixed capital. The capital contribution buffer can be withdrawn or reduced by the member without affecting his membership. However, the NSSLA shall establish and prescribe the conditions and/or circumstances when the NSSLA may limit the reduction of the members' capital contribution buffer, such as, when the NSSLA is under liquidity stress or is unable to meet the capital-to-risk assets ratio requirement under Sec. 4116S of the MORNBFI-S Regulations. Such conditions and/or circumstances have to be disclosed to the members upon their placement of capital contribution buffer and in manners as may be determined by the Board.

For purposes of identifying and monitoring the fixed capital and capital contribution buffer of a member's capital contribution, NSSLAs shall maintain subsidiary ledgers showing separately the fixed and capital contribution buffer of each member. Further, upon receipt of capital contributions from their members, NSSLAs shall simultaneously record the amount contributed as fixed and capital contribution buffer in the aforementioned subsidiary ledgers. However, NSSLAs may use other systems in lieu of subsidiary ledgers provided that that the system will separately show the fixed and capital contribution buffer of each member.

The interpretation assessed and concluded that both Fixed Capital and the Capital contribution buffer qualify as "equity" in the NSSLA's financial statements as they both meet all the requirements of paragraphs 16A and 16B of PAS 32, *Financial Instruments:* Presentation.

The interpretation is effective for periods beginning on December 11, 2019 and should be applied retrospectively.

The amendments will not have an impact on the Group's financial statements as the Company is not a non-stock savings and loan association.

PIC Q&A No. 2019-08, *PFRS 16, Leases - Accounting for Asset Retirement or Restoration Obligation ("ARO")*

The interpretation clarifies the recognition of ARO under the following scenarios:

1) Accounting for ARO at lease commencement date

The cost of dismantling and restoration (i.e., the ARO) should be calculated and recognized as a provision in accordance with PAS 37, with a corresponding adjustment to the related ROU asset as required by PFRS 16.24(d). As such, the lessee will add the amount of ARO to the cost of the ROU asset on lease commencement date, which will then form part of the amount that will be amortized over the lease term.

2) Change in ARO after initial recognition

2.1) Because ARO is not included as a component of lease liability, the measurement of such ARO is outside the scope of PFRS 16. Hence, its measurement is generally not affected by the transition to PFRS 16. Except in cases where the reassessment of lease-related assumptions (e.g., lease term) would affect the measurement of ARO-related provision, the amount of ARO existing at transition date would not be remeasured; rather, the balance of the ARO provision and any related asset will remain as previously measured. The asset will simply be reclassified from property and equipment to the related ROU asset as required under PFRS 16.24(d).

2.2) Assuming there is a change in lease-related assumptions that would impact the ARO measurement (e.g., change in lease term due to the new PFRS 16 requirements), the following will be the accounting treatment depending on the method used by the lessee in adopting PFRS 16:

a. *Modified retrospective approach* - Under this approach, the lessee uses the remaining lease term to discount back the amount of provision to transition date. Any adjustment is recognized as an adjustment to the ROU asset and ARO provision. This adjustment applies irrespective of which of the two methods in measuring the ROU asset will be chosen under the modified retrospective approach.

b. *Full retrospective approach* - The ARO provision and related asset, which gets adjusted to the ROU asset, should be remeasured from commencement of the lease, and then amortized over the revised or reassessed lease term. Because full retrospective approach is chosen, it is possible that the amount of cumulative adjustment to the ARO provision and the ROU asset at the beginning of the earliest period presented will not be the same; hence, it is possible that it might impact retained earnings.

The future adoption of the interpretation is still being assessed by the Group's Management.

PIC Q&A No. 2019-09, *Accounting for Prepaid Rent or Rent Liability Arising from Straight-lining under PAS 17 on Transition to PFRS 16 and the Related Deferred Tax Effects*

The interpretation aims to provide guidance on the following:

1. How a lessee should account for its transition from PAS 17 to PFRS 16 using the modified retrospective approach. Specifically, this aims to address how a lessee should, on transition, account for any existing prepaid rent or rent liability arising from straight-lining of an operating lease under PAS 17, and

2. How to account for the related deferred tax effects on transition from PAS 17 to PFRS 16.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-10, *Accounting for variable payments with rent review*

Some lease contracts provide for market rent review in the middle of the lease term to adjust the lease payments to reflect a fair market rent for the remainder of the lease term. This Q&A provides guidance on how to measure the lease liability when the contract provides for a market rent review.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-11, *Determining the current portion of an amortizing loan/lease liability*

The interpretation aims to provide guidance on how to determine the current portion of an amortizing loan/lease liability for proper classification/presentation between current and non-current in the statement of financial position.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-12, *PFRS 16, Leases – Determining the lease term*

The interpretation provides guidance on how an entity determines the lease term under PFRS 16.

A contract would be considered to exist only when it creates rights and obligations that are enforceable. Therefore, any non-cancellable period or notice period in a lease would meet the definition of a contract and, thus, would be included as part of the lease term. To be part of a contract, any option to extend or terminate the lease that are included in the lease term must also be enforceable.

If optional periods are not enforceable (e.g., if the lessee cannot enforce the extension of the lease without the agreement of the lessor), the lessee does not have the right to use the asset beyond the non-cancellable period. Consequently, by definition, there is no contract beyond the non-cancellable period (plus any notice period) if there are no enforceable rights and obligations existing between lessee and lessor beyond that term.

In assessing the enforceability of a contract, an entity should consider whether the lessor can refuse to agree to a request from the lessee to extend the lease. Accordingly, if the lessee has the right to extend or terminate the lease, there are enforceable rights and obligations beyond the initial non-cancellable period and thus, the parties to the lease would be required to consider those optional periods in their assessment of the lease term. In contrast, a lessor's right to terminate a lease is ignored when determining the lease term because, in that case, the lessee has an unconditional obligation to pay for the right to use the asset for the period of the lease, unless and until the lessor decides to terminate the lease.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, an entity shall consider all relevant facts and circumstances (i.e., including those that are not indicated in the lease contract) that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-13, *PFRS 16, Leases – Determining the lease term of leases that are renewable subject to mutual agreement of the lessor and the lessee*

The interpretation provides guidance on how an entity determines the lease term under PFRS 16. This interpretation focuses on lease contracts that are renewable subject to mutual agreement of the parties.

A renewal option is only considered in determining the lease term if it is enforceable. A renewal that is still subject to mutual agreement of the parties is legally unenforceable under Philippine laws until both parties come to an agreement on the terms.

In instances where the lessee has known to be, historically, renewing the lease contract after securing mutual agreement with the lessor to renew the lease contract, the lessee's right to use the underlying asset does not go beyond the one-year period covered by the current contract, as any renewal still has to be agreed on by both parties. A renewal is treated as a new contract.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-01, *Conforming Changes to PIC Q&As – Cycle 2020*

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

PIC Q&As Amended

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
Framework 4.1 and PAS 1.25 – Financial statements prepared on a	References to *The Conceptual Framework for Financial Reporting* have been updated due

basis other than going concern	to the revised framework effective January 1, 2020
PIC Q&A No. 2016-03: Accounting for common areas and the related subsequent costs by condominium corporations	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2011-03: Accounting for intercompany loans	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2017-08: PFRS 10 – Requirement to prepare consolidated financial statements where an entity disposes of its single investment in a subsidiary, associate or joint venture	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2018-14: PFRS 15 – Accounting for cancellation of real estate sales	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	With the amendment to PFRS 3 on the definition of a business effective January 1, 2020, there is additional guidance in paragraphs B7A-B12D of PFRS 3 in assessing whether acquisition of investment properties is an asset acquisition or business combination (i.e. optional concentration test and assessment of whether an acquired process is substantive)

The effective date of the amendments is included in the affected interpretations.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-02, *Conclusion on PIC QA 2018-12E: On certain materials delivered on site but not yet installed*

The interpretation provides guidance on the treatment of the customized materials in recognizing revenue using a cost-based input method.

For each performance obligation satisfied over time, entity shall recognize the revenue by measuring towards complete satisfaction. In such case, materials that are customized, even if uninstalled, are to be included in the measurement of progress in completing its performance obligations.

However, in the case of uninstalled materials that are not customized, revenue should only be recognized upon installation or use in construction. Revenue cannot be recognized even up to the extent of cost unless it met all the criteria listed in the standards.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-03, *On the accounting of the difference when the percentage of completion is ahead of the buyer's payment*

The interpretation clarifies that recognition of either contract asset or receivable is acceptable in case the revenue recognized based on percentage of completion (POC) is ahead of the buyer's payment as long as this is consistently applied in transactions of the same nature and disclosure requirements of PFRS 15 for contract assets or receivables, as applicable, are complied.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-04(Addendum to PIC Q&A 2018-12-D), *PFRS 15 - Step 3 - Requires and Entity to Determine the Transaction Price for the Contract*

The interpretation clarifies that, in case of mismatch between the POC and schedule of payments, there is no significant financing component if the difference between the promised consideration and the cash selling price of the goods or service arises for the reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-05, PFRS 15 - *Accounting for Cancellation of Real Estate Sales*

The interpretation provided guidance on the accounting for cancellation of real estate sales and the repossession of the property. They provided three(3) approaches as follows:

1. The repossessed property is recognized at its fair value less cost to repossess
2. The repossessed property is recognized at its fair value plus repossession cost
3. Accounted as modification of contract

Either of the above mentioned approaches are acceptable as long as its applied consistently. All approaches above should consider payments to buyers required under the Maceda Law and the write-off of any unamortized portion of cost of obtaining a contract in its determination of gain/loss from repossession.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-06, PFRS 16 - *Accounting for payments between and among lessors and lessees*

The interpretation provides for the treatment of payments between and among lessors and lessees as follows:

		Treatments in the financial statements of			
	Transaction	Lessor	Old lessor	New Lessee	Basis
1.	Lessor pays old lessee - lessor intends to renovate the building	i. Recalculate the revised leased payments (net of the one-off amount to be paid) and amortize over the revised lease term. ii. If net payable, recognize as expense unless the amount to be paid qualifies as capitalizable cost under PAS 16 or PAS 40; in which case it is	i. Recognize in profit and loss at the date of modification the difference between the proportionate decrease in the right-of-use asset based on the remaining right-of-use asset for the remaining period and remaining lease liability calculated as the present value of the remaining lease payments discounted using the original discount rate of the lease.		• PFRS 16; par. 87 • PAS 16; pars. 6, 16-17 • PAS 40; par. 21 • PFRS 16; par. 45 • Illustrative example 18 issued by IASB • PAS 16; pars. 56-57

		capitalized as part of the carrying amount of the associated property if it meets the definition of construction costs under PAS 16 or PAS 40.	ii. Recognize the effect of remeasurement of the remaining lease liability as an adjustment to the right-of use-asset by referring to the revised lease payments (net of any amount to be received from the lessor)and using a revised discount rate. iii. Revisit the amortization period of right-of-use asset and any related leasehold improvement following the shortening of the term.		
2.	Lessor pays old lessee - new lease with higher quality lessee	Same as Item 1	Same as Item 1		Same as Item 1 PFRS 16 par. 83
3.	Lessor pays new lessee - an incentive to occupy	i. Finance lease: • If made after commencement date, incentive payable is credited with offsetting debit entry to the net investment lease. • If paid at or prior to commencement date, included in the calculation of gain or loss on disposal on finance lease. ii. Operating lease add the initial direct costs to the carrying amount of underlying asset and recognize as expense over the lease term either on a straight-line basis of another systematic basis.		i. Record as a deduction to the cost of the right-of-use asset. ii. Lease incentive receivable is also included as reduction in measurement of lease liability. iii. When lessee receives the payment of lease incentive, the amount received is debited with a credit entry to gross up the lease liability.	• PAS 16; par. 68 • PAS 16; par. 71 • PFRS 16; par. 83 • PFRS 16; par. 24
4.	Lessor pays new lessee - building alterations specific to the lessee with no further value to lessor	Same as Item 3		i. Same as in fact pattern 1C. ii. Capitalize costs incurred by the lessee for alterations to the building as leasehold improvement in accordance with PAS 16 or PAS 40.	• Same as in fact pattern 1C. • PAS 40; par. 21 • PAS 16; pars. 16-17
5.	Old lessee pays lessor to vacate the leased premises early	Recognize as income immediately, unless it was within the original contract and the probability criterion was	Recognize as expense immediately unless it was within the original contract and the probability criterion was previously met, in which case, the		• PAS 16 • PAS 38 • PFRS 16; par. 18

		previously met, in which case, the amount would have already been recognized as income using either a straight-line basis or another systematic basis.	financial impact would have been recognized already as part of the lease liability.		
6.	Old lessee pays new lessee to take over the lease		Recognize as an expense immediately.	Recognize as income immediately.	• PAS 16 • PAS 38 • PFRS 16; Appendix A
7.	New lessee pays lessor to secure the right to obtain a lease agreement	i. If finance lease, recognize gain or loss in the profit or loss arising from the derecognition of underlying assets ii. If operating lease, recognize as deferred revenue and amortize over the lease term on a straight-line basis or another systematic basis.		Recognize as part of the cost of the right-of-use asset.	PFRS 16; par. 24 • PAS 16; par. 71 • PFRS 16; par 81
8.	New lessee pays old lessee to buy out the lease agreement		Recognize as again immediately. Any remaining lease liability and right-of-use asset will be derecognized with net amount through P&L.	Account for as initial direct cost included in the measurement of the right-of-use asset.	• PFRS 16; Appendix A • PFRS 16; Example 13 in par. IE5 • PFRS 16; par. 24

The future adoption of the interpretations is still being assessed by the Group's Management.

2. *Seasonality Aspects of the Business*

Like any other company in the construction industry, the operations of the Group are affected by seasonality. Net sales are generally higher in dry months from February to May and lower during the rainy months of June to November. Low sales are also experienced during December due to holidays until early January. Unpredictable weather could also significantly affect sales and profitability compared to previous periods coupled with any unforeseen circumstances like disruptions in productions.

3. *Financial Risk Management Objectives and Policies*

General Risk Management Approach

The Group is exposed to various financial risks, which include the effect of changes in debt structure, equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential and adverse effects on the financial performance of the Group. The Group does not enter into other derivative or financial transactions which are unrelated to its operating business as a risk-averse approach is pursued.

Financial risk management of the Group is governed by policies approved by management. It provides principles for overall risk management, as well as policies covering specific risk areas such as interest rate risk, foreign exchange risk, counterparty risk, and use of derivative financial instruments and investing assets in excess of liquidity requirements.

The Group's principal financial instruments, other than derivatives, consist of cash and cash equivalents and notes payable. The main purpose of these financial instruments is to raise funds for the Group's operations. The Group also has various other financial assets and liabilities such as trade and other receivables, advances to employees, guarantee deposits, restricted cash and trade and other payables which arise directly from operations.

The main risks arising from the Group's financial instruments are market risks (which include foreign currency risk and interest rate risk), credit risk and liquidity risk. The BOD reviews and approves the policies for managing each of these risks and they are summarized below. The Group's accounting policies in relation to financial instruments are set out in Note 4 to the consolidated financial statements.

Market Risks

The Group is exposed to market risks, such as foreign currency and interest rate risks. To manage volatility relating to these exposures, the Group enters into derivative financial instruments, when necessary. The Group's objective is to reduce, where appropriate, fluctuations in earnings and cash flows associated with changes in foreign currency, interest rate and equity price.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has foreign exchange exposures, arising primarily from purchases of goods and services and debt servicing requirements in currencies other than the Philippine Peso that leads to currency translation effects. As of March 31, 2021, there are no revenues denominated in currencies other than the Philippine Peso.

Due to the local nature of the cement business, transaction risk is limited. However, income may primarily be in local currency whereas debt servicing and significant amount of capital expenditures may be in foreign currencies. As a consequence thereof, the Group may enter into derivative contracts whenever necessary, which may be designated either as cash flow hedges or fair value hedges, as appropriate.

As of March 31, 2021, the Group had minimal assets and liabilities exposed to foreign currency risks.

Interest Rate Risk

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates.

The Group is exposed to fluctuations in financing costs and market value movements of its debt portfolio related to changes in market interest rates. The Group's interest rate exposure is mainly addressed through the steering of the fixed/floating ratio of net debt. To manage this mix, the Group may enter into derivative transactions, as appropriate. As at March 31, 2021 and 2020, the Group has minimal exposure to interest rate risk.

Credit Risk

Credit risk is the risk that counterparties may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers.

The Group constantly monitors its credit risk exposures. Counterparties to financial instruments consist of a large number of major financial institutions. The Group does not expect any counterparties to fail in meeting their obligations, given their high credit ratings. In addition, the Group has no significant concentration of credit risk with any single counterparty or group of counterparties.

The maximum and minimum exposure to credit risk is represented by the carrying amount of each financial asset.

The Group trades only with recognized, credit-worthy third parties. It is the Group's policy that all third party customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Group's exposure to bad debts to minimum.

With respect to credit risk arising from the other financial assets of the Group, which consist of due from related parties, advances to employees, AFS financial assets, and guarantee and refundable deposits, the Group's exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet its contractual obligations and commitments. The seasonality of revenue generation exposes the Group to shortage of funds during slack season and may result in payment defaults of financial commitments. The Group monitors this risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial assets and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities, finance leases and purchase contracts. It is responsible for its own cash surpluses and the raising of loans to cover cash deficits, subject to policies and guidelines approved by management and, in certain cases, at the BOD level.

The Group maintains sufficient reserves of cash and cash equivalents, which are short-term in nature, unused credit lines and readily available marketable securities to meet its liquidity requirements at all times. In addition, the strong credit worthiness of the Group allows it to make efficient use of the financial markets for financing purposes. As at March 31, 2021, the Group has unutilized credit facilities of ₱12.5 billion.

Capital Management Policy

The Group considers equity attributable to the equity holders of the Parent Company as its capital. The Group's objectives when managing capital are to secure the Group's ongoing financial needs to continue as a going concern as well as to cater for its growth targets in order to provide returns to shareholders and benefits for other stakeholders and to maintain a cost-efficient and risk-optimized capital structure.

The Group manages the capital structure and makes adjustments to it in light of the changes in economic conditions, its business activities, investment and expansion program and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors capital, among others, on the basis of gearing ratio.

4. ***Financial Assets and Liabilities***

Fair Value of Financial Instruments

The estimated fair value of each class of the Group's financial instruments, is equal to their carrying amount as at March 31, 2021 and December 31, 2020. The following methods and assumptions are used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash and Cash Equivalents, Trade and Other Receivables, Short-term Financial Receivable, Loan Payable and Trade and Other Payables. Due to the short-term nature of the transactions, the fair values of these instruments approximate the corresponding carrying values as at end of each reporting period.

AFS Financial Assets. The fair values of publicly traded instruments are determined by reference to quoted market prices as at the end of each reporting period. Investments in unquoted equity securities are carried at cost, net of any impairment in value.

Guarantee Deposits. These are carried at cost, less any impairment in value, which approximates their fair values calculated using the discounted cash flows method.

Fair Value Hierarchy

As at March 31, 2021 and December 31, 2020, the Group's financial instruments measured at fair value include only the quoted equity securities, classified as AFS financial assets (Level 1).

As at March 31, 2021 and December 31, 2020, the Group does not have financial instruments whose fair values are determined using inputs that are not based on observable market data (Level 3). There were no reclassifications made between the different fair value hierarchy levels in 2021 and 2020.

5. *Segment Reporting*

Operating segments are components of the Group that engage in business activities from which they may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group), which operating results are regularly reviewed by the chief operating decision maker* to make decisions about how resources are to be allocated to each of the segments and to assess their performances, and for which discrete financial information is available. Management reassesses on an annual basis whether there have been any change in the operating segments or in the reportable operating segments in accordance with PFRS 8, *Operating Segments*.

For management purposes, the Group is organized into activities based on their products and has two segments, as follows:

- Clinker and Cement segment, which manufactures and sells clinker and cement for domestic customers; and
- Other Construction Materials and services segment, which includes operations from Specialty Products and Aggregates Trading.

Management monitors the operating results of its business segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is based on operating EBITDA and is measured consistently with consolidated net income in the consolidated statement of profit or loss and other comprehensive income. However, the Group's finance income and charges and income taxes are managed on a group basis, and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis similar to transactions with third parties.

Segment revenues, EBITDA, assets and liabilities as at March 31, 2021 and 2020 are presented below:

	2021				
	Clinker and cement	**Others**	**Total**	**Adjustments and eliminations**	**Consolidated**
			(In Thousands)		
Revenue:					
External customers	**₱6,477,475**	**₱308,578**	**₱6,786,053**	**₱19,741**	**₱6,805,794**
Inter-segment	**3,153**	**–**	**3,153**	**(3,153)**	**–**
	₱6,480,628	**₱308,578**	**₱6,789,206**	**₱16,588**	**₱6,805,794**
Operating EBITDA	**₱ 1,736,318**	**₱ 245,807**	**₱1,982,125**	**(₱265,623)**	**₱ 1,716,502**
Segment assets	**29,803,362**	**343,764**	**30,147,126**	**11,649,902**	**41,797,028**
Segment liabilities	**8,978,299**	**91,408**	**9,069,707**	**2,185,441**	**11,255,148**

	2020				
	Clinker and cement	Others	Total	Adjustments and eliminations	Consolidated
			(In Thousands)		
Revenue:					
External customers	₱6,971,648	₱269,453	₱7,241,101	₱29,380	₱7,270,481
Inter-segment	13,072	–	13,072	(13,072)	–
	₱6,984,720	₱269,453	₱7,254,173	₱16,308	₱7,270,481
Operating EBITDA	₱1,266,970	₱201,647	₱1,468,617	(₱273,033)	₱1,195,584
Segment assets	32,519,479	348,377	32,867,856	16,508,309	49,376,165
Segment liabilities	9,251,894	75,675	9,327,569	11,778,602	21,106,171

* Chief operating decision maker is composed of the Group's Executive Committee

6. *Retained Earnings*

The BOD did not declare any cash dividends as of March 31, 2021.

Interim Disclosures

As of the update, the Group filed a petition to vacate at the Regional Trial Court at Taguig City ("Taguig Court"), which Seasia asked to be dismissed on jurisdictional grounds. Seasia filed a petition for confirmation at the Regional Trial Court at Bataan ("Bataan Court"), which the Group is currently opposing due to several infirmities in the arbitral award and issues against the Bataan Court's jurisdiction resulting from the premature filing of the petition. Both petitions are currently pending resolution and Group's funds at a third party bank are still garnished.

Aside from the disclosure above, the Group is not aware of the following or is not applicable to the Group's interim operations:

1. Unusual items that materially affect the Group's consolidated assets, liabilities, equity, net income or cash flows because of their nature, size or incidents.

2. Changes in estimates of amounts reported in prior financial years that have a material effect in the current period.

3. Issuances and repurchases of equity securities.

4. Material changes in contingent liabilities or contingent assets since the last annual balance sheet date.

5. Existence of material contingencies and other events of transactions that are material to an understanding of the current interim period.

6. Known trends, demands, commitments, events and uncertainties that will result in or likely to decrease its liquidity in any material way. The Group does not anticipate having within the next twelve (12) months any cash flow or liquidity problems nor does it anticipate any default or breach of any of its existing notes, loans, leases, other indebtedness or financing arrangements requiring it to make payments.

7. Events that will trigger direct or contingent material financial obligations to the Group.

8. Material off-balance sheet transactions, arrangements, obligations (direct or contingent), and other relationships of the Group with unconsolidated entities or other persons created during the year.

9. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales/revenues/income from continuing operations.

10. Significant elements of income or loss that did not arise from the Group's continuing operations.

11. Material events subsequent to end of the reporting period that have not been reflected in this report.

12. Material changes in the composition of the Group, including any business combination, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.

13. Any seasonal aspect that had a material effect on the financial condition or results of operation.

Material Changes in Balance Sheet Accounts

30% increase in Cash and cash equivalents
Mainly due to higher cash generated from operations and lower capital expenditures.

5% decrease in Inventories
Decrease was due to consumption of own clinker and cement coupled with rationalization of purchase plan.

64% increase in Other current assets
Largely attributable to real property taxes prepaid for the whole year.

5% decrease in Right-of-Use Assets
Mainly due to the depreciation expense recognized for the period.

9% decrease in Intangible Assets -net
Due to amortization expenses recognized for the period.

9% decrease in Trade and other payables
Lower payables from the payment of amounts owed to related parties, local vendors and importation.

162% increase in Income tax payable
Mainly due to higher income generated as compared to same period last year.

6% increase in Provisions
Increase was due to the impact of adjustment relating to 2019 accrual.

81% increase in deferred tax liabilities - net
Due to the impact of CREATE Bill.

8% increase in Retained earnings
Due to net profit recognized for the period.

Material Changes in Income Statement Accounts

6% decrease in Net sales
Mainly due to lower volumes sold from the interruption in the sales operations due to slowed construction and building projects as a result of the lockdown implemented by the government partnered with the decline in price.

16% decrease in Cost of goods sold
The movement was lower driven by lower prices on raw materials and fuels, lower other variable costs, as well as lower distribution costs from fixed cost savings and lower freight costs.

20% decrease in Operating expenses
Mainly attributable to the decline in personnel expenses and support process costs from sustained cost management efforts of the Company.

75% decrease in Net financial expenses
Mainly due to favorable movement in financial expenses from related parties and third parties as a result of settlement of loans in the latter part of 2020.

107% increase in Income (Expenses) on non-operating assets
Mainly due to share in the accumulated undistributed income incurred by associate during the year

111% increase in Provision for income tax
Due to higher taxable income as of the current period.

80% increase in Noncontrolling interest in net income
Mainly due to higher profit of subsidiary compared to same period last year.

Holcim Philippines, Inc. and Subsidiaries
Schedule of Financial Soundness Indicators

Financial KPI	Definition	For the three (3) Months Ended March 31	
		2021	**2020**
Current/Liquidity ratio Current Ratio	Current Assets / Current Liabilities	90.7%	82.4%
Solvency ratio/Debt-to-equity ratio Gearing	Net Financial Debt (Asset) / Stockholder's Equity	(7.9%)	4.6%
Asset to Equity Ratios Asset to Equity Ratio/ Equity Multiplier	Total Assets / Stockholder's Equity	136.9%	174.8%
Interest Rate Coverage Ratio Interest Rate Coverage	Income before Tax / Net Interest	109.1 times	5.8 times
Profitability Ratios Return on Assets	Net Income / Average Total Assets	2.2%	1.1%
Return on Equity	Net Income / Average Total Equity	3.0%	1.8%

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HOLCIM PHILIPPINES, INC.

Jesusa Rojas

Jesusa Natividad L. Rojas
Chief Financial Officer
Date: April 22, 2021

COVER SHEET

							2	6	1	2	6

SEC Registration Number

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES

(Company's Full Name)

7th Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City

(Business Address: No. Street City/Town/Province)

Dennis G. Segovia Jr.
(Contact Person)

(2nd Quarter 2021)

8581-1511
(Company Telephone Number)

0	6		3	0

Month *Day*
(Fiscal Year)

SEC FORM 17-Q
For the quarter ended June 30, 2021
(Form Type)

Month *Day*
(Annual Meeting)

(Secondary License Type, If Applicable)

CFD
Dept. Requiring this Doc.

–
Amended Articles Number/Section

Total Amount of Borrowings

5,251
Total No. of Stockholders

Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

SEC Form 17Q
February 2001

SECURITIES AND EXCHANGE COMMISSION

FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended June 30, 2021

2. Commission identification number 026126 3. BIR Tax Identification No 000-121-507-000

4. Exact name of issuer as specified in its charter HOLCIM PHILIPPINES, INC.

5. Province, country or other jurisdiction of incorporation or organization Republic of the Philippines
6. Industry Classification Code: ______ (SEC Use Only)

7. Address of issuer's principal office Postal Code

   7th Floor Two World Square, McKinley Hill, Fort Bonifacio, Taguig City 1634
8. Issuer's telephone number, including area code (632) 8581-1511
9. Former name, former address and former fiscal year, if changed since last report N. A.

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	6,452,099,144

11. Are any or all of the securities listed on a Stock Exchange?

    Yes [x] No [ ]

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

    Philippine Stock Exchange, Inc. Common Shares

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

    Yes [x] No [ ]

    (b) has been subject to such filing requirements for the past ninety (90) days.

    Yes [x] No [ ]

PART I- FINANCIAL INFORMATION

Item 1. Financial Statements.

Exhibit I – Consolidated Balance Sheets as of June 30, 2021 and December 31, 2020
Exhibit II – Consolidated Statements of Income for the quarters ended June 30, 2021 and 2020
Exhibit III – Consolidated Statements of Comprehensive Income for the quarters ended June 30, 2021 and 2020
Exhibit IV – Consolidated Statements of Changes in Stockholders' Equity for the quarters ended June 30, 2021 and 2020
Exhibit V – Consolidated Statements of Cash Flows for the quarters ended June 30, 2021 and 2020
Exhibit VI – Aging of Trade and Other Receivables as of June 30, 2021

Exhibit I

HOLCIM PHILIPPINES, INC.
CONSOLIDATED BALANCE SHEETS
As of June 30, 2021 and December 31, 2020
(In Thousands)

	30 June 2021	31 Dec 2020
ASSETS		
Current Assets		
Cash and cash equivalents	₱2,541,254	₱2,080,791
Trade and other receivables - net	2,823,983	2,601,420
Inventories	3,281,344	2,851,169
Short-term financial receivables	382,682	465,657
Other current assets	600,076	417,775
Total Current Assets	**9,629,339**	**8,416,812**
Noncurrent Assets		
Investments	4,356,802	4,299,259
Property, plant and equipment – net	19,407,765	19,525,534
Right-of-use assets	1,702,328	1,866,896
Goodwill	2,635,738	2,635,738
Intangibles – net	16,090	19,445
Retirement assets – net	2,117,528	2,161,204
Other noncurrent assets	2,364,534	2,440,534
Total Noncurrent Assets	**32,600,785**	**32,948,610**
	₱42,230,124	**₱41,365,422**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Trade and other payables	11,083,279	9,301,296
Current portion of lease liabilities	1,076,418	1,218,146
Income tax payable	408,334	161,427
Total Current Liabilities	**12,568,031**	**10,680,869**
Noncurrent Liabilities		
Long-term lease liabilities	857,569	841,920
Provisions	79,211	74,479
Deferred tax liabilities – net	236,446	136,099
Total Noncurrent Liabilities	**1,173,226**	**1,052,498**
Equity Attributable to Equity Holders of Parent		
Capital stock	6,452,099	6,452,099
Additional paid-in capital	8,476,002	8,476,002
Remeasurement loss on retirement benefits - net	1,423,446	1,423,446
Other reserves	4,050	4,050
Retained earnings	12,117,120	13,261,328
	28,472,717	**29,616,925**
Noncontrolling Interest	**16,150**	**15,130**
Total Stockholders' Equity	**28,488,867**	**29,632,055**
	₱42,230,124	**₱41,365,422**

Exhibit II

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF INCOME
For the quarters ended June 30, 2021 and 2020
(In Thousands, Except Per Share Data)

	Quarter Ended		Six (6) Months Ended	
	Apr-Jun 2021	**Apr-Jun 2020**	**Jan-Jun 2021**	**Jan-Jun 2020**
Net Sales	**₱6,855,623**	**₱4,148,083**	**₱13,661,417**	**₱11,418,564**
Cost of sales	5,082,393	3,443,613	9,886,663	9,160,186
Gross Profit	**1,773,230**	**704,470**	**3,774,754**	**2,258,378**
Operating expenses	338,807	194,592	623,829	552,916
Operating EBITDA	**1,434,423**	**509,878**	**3,150,925**	**1,705,462**
Depreciation and amortization	480,859	451,821	923,228	891,429
Profit from Operations	**953,564**	**58,057**	**2,227,697**	**814,033**
Other income (expenses)				
Net financial expense	(3,654)	(145,544)	(26,642)	(238,281)
Other income (expense) - net	10,571	(24,693)	73,856	5,851
Total	6,917	(170,237)	47,214	(232,430)
Profit (loss) before Income Tax	**960,481**	**(112,180)**	**2,274,911**	**581,603**
Provision for income tax				
Current	248,683	(22,727)	577,288	195,321
Deferred	(9,591)	(1,743)	66,887	(27,552)
	239,092	(24,470)	644,175	167,769
Profit (loss) for the Period	**721,389**	**(87,710)**	**1,630,736**	**413,834**
Noncontrolling interest	(115)	(429)	(542)	(666)
Profit (loss) for the period attributable to Equity holders of the Parent Company	**₱721,274**	**(₱88,139)**	**₱1,630,194**	**₱413,168**
Basic/Diluted Earnings Per Share (EPS)				
Computation of EPS:				
(a) Profit (loss) for the period attributable to Equity holders of the parent company	**₱721,274**	**(₱88,139)**	**₱1,630,194**	**₱413,168**
(b) Common shares issued and outstanding	6,452,099	6,452,099	6,452,099	6,452,099
EPS [(a)/(b)]	**₱0.112**	**(₱0.014)**	**₱0.253**	**₱0.064**

Exhibit III

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the quarters ended June 30, 2021 and 2020
(In Thousands)

	Quarter Ended		Six (6) Months Ended	
	Apr-Jun 2021	**Apr-Jun 2020**	**Jan-Jun 2021**	**Jan-Jun 2020**
Total Comprehensive Income (Loss)	**₱721,389**	**(₱87,710)**	**₱1,630,736**	**₱413,834**
Attributable to:				
Equity holders of Parent Company	721,274	(87,281)	1,629,716	414,500
Noncontrolling interest	115	(429)	1,020	(666)
Total Comprehensive Income (Loss)	**₱721,389**	**(₱87,710)**	**₱1,630,736**	**₱413,834**

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the three (3) months ended June 30, 2021 and 2020
(In Thousands)

	Jan-Jun 2021	Jan-Jun 2020
Capital Stock		
Common Stock		
Balance at beginning of period	₱6,452,099	₱6,452,099
Issuances (Retirement)	-	-
Balance at end of period	**6,452,099**	**6,452,099**
Additional Paid-in Capital		
Balance at beginning of period	8,476,002	8,476,002
Issuances (Retirement)	-	-
Balance at end of period	**8,476,002**	**8,476,002**
Other comprehensive income	**1,423,446**	**1,624,206**
Other reserves	**4,050**	**4,475**
Retained Earnings		
Balance at beginning of period	13,261,328	11,199,025
Profit for the Period	1,630,194	413,168
Cash dividends - 0.43 per share	(2,774,402)	-
Balance at end of period	**12,117,120**	**11,612,193**
Noncontrolling Interest	**16,150**	**13,310**
	₱28,488,867	**₱28,182,285**

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three (3) months ended June 30, 2021 and 2020
(In Thousands)

	Jan-Jun 2021	Jan-Jun 2020
Operating Activities		
Profit before Income Tax	**₱2,274,911**	**₱581,603**
Adjustments to reconcile profit to cash		
Depreciation and amortization	923,228	891,429
Other items - net	(389,590)	(434,954)
Changes in current assets and liabilities	(1,036,832)	1,366,357
Cash provided by operating activities	**1,771,717**	**2,374,932**
Investing Activities		
Additions to plant, property and equipment	(387,485)	(470,524)
Increase in other investing activities	75,998	3,725
Cash used in investing activities	**(311,487)**	**(466,799)**
Financing Activities		
Repayment of long-term leases	(183,867)	(133,591)
Loan repayments made by related party	83,826	32,849
Cash dividends paid	(898,264)	–
Payment of short-term loans	–	(7,140,699)
Proceeds from short-term loans	–	5,300,000
Increase in short-term financial receivables	–	(14,125)
Cash used in financing activities	**(998,305)**	**(1,955,566)**
Net increase (decrease) in cash and cash equivalents	**461,925**	**(47,433)**
Cash and cash equivalents, beginning	**2,080,791**	**2,961,897**
Effect of exchange rate changes on cash and cash equivalents	**(1,462)**	**(3,094)**
Cash and cash equivalents, end	**₱2,541,254**	**₱2,911,370**

Exhibit VI

HOLCIM PHILIPPINES, INC
Aging of Trade and Other Receivables
As of June 30, 2021
(In Thousands)

	Total	Current	1-30 days	31-60 days	Over 60 days
Trade Receivables	**₱953,011**	**₱768,945**	**₱56,628**	**₱ 35,756**	**₱ 91,682**
Other Receivables	**1,933,050**	**38,908**	**22,449**	**167,444**	**1,704,249**
Total		**₱807,853**	**₱79,077**	**₱203,200**	**₱1,795,931**
Allowance for Doubtful Accounts	**(62,078)**				
Net Receivables	**₱2,823,983**				

Certified correct:

Jesusa Natividad L. Rojas
Chief Financial Officer

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

The Group posted net sales of ₱13.7 billion, higher by 20% compared to ₱11.4 billion reported in the same period last year. This is due to sustained demand in the retail segment with the easing of quarantine measures as the country continues to recover economically from the strict lockdown measures undertaken to contain the pandemic.

The Group reported total EBITDA of ₱3.2 billion, higher by 85% as compared to ₱1.7 billion reported during the same period last year. Efficiency gains and strong cost discipline helped the Company manage the impact of rising costs of fuel, power and freight, as well as other business challenges such as logistical bottlenecks caused by renewed restrictions in response to the surge in COVID-19 cases from March to May this year. The Group managed to incur lower financial expenses related to its short-term payables and lease liabilities. Net income after tax stood at ₱1.6 billion resulting in earnings per share of ₱0.25.

Financial Position

The Group's financial position has remained healthy with a stable liquid cash position. The return on assets rose to 3.9% as of June 30, 2021 which is 3.0% higher from the end of 2020 as a result of higher net income. Total assets stood at ₱42.2 billion as of June 30, 2021, 2% higher than December 2020.

Cash Flow Generation

The Group's cash requirements were mainly sourced through cash from operating activities. As of June 30, 2021, there are no outstanding third party loan payables. Please refer to the attached statement of cash flow for details.

Key Performance Indicators

The comparative financial KPI's of the Group for the periods ended June 30, 2021 and 2020 were as follows:

Financial KPI	Definition	For the period ended June 30	
		2021	2020
Profitability			
Return on Equity (ROE)	Net Income / Ave. Total Shareholders' Equity	5.6%	1.5%
Return on Asset (ROA)	Net Income / Average Total Assets	3.9%	0.9%
Efficiency			
EBITDA Margin	Operating EBITDA / Net Sales	23.1%	14.9%
Liquidity			
Gearing	Net Financial Debt (Asset) / Stockholders' Equity	(7.8%)	(1.9%)
EBITDA Net Interest Cover	Operating EBITDA / Net Interest	92 times	8.1 times

Profitability and Efficiency

Profitability and efficiency indicators have increased as compared to the same period last year due to higher income generated from operations.

Liquidity

The Group's liquidity position remains strong as evidenced by higher cash balance.

Notes to Financial Statements

1. *Summary of Significant Accounting Policies*

These condensed consolidated interim financial statements have been prepared in accordance with PAS 34 *Interim Financial Reporting* and do not include all of the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2020.

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following amendments effective after the reporting period ended December 31, 2020:

PFRS 17, *Insurance Contracts*

PFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of PFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

The key principles in PFRS 17 are that an entity:

- identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder;
- separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;
- divides the contracts into groups that it will recognize and measure;
- recognizes and measures groups of insurance contracts at:
  - i. a risk-adjusted present value of the future cash flows (the fulfillment cash flows) that incorporates all of the available information about the fulfillment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset)
  - ii. an amount representing the unearned profit in the group of contracts (the contractual service margin);
- recognizes the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognizes the loss immediately;
- presents separately insurance revenue (that excludes the receipt of any investment component), insurance service expenses (that excludes the repayment of any investment components) and insurance finance income or expenses; and
- discloses information to enable users of financial statements to assess the effect that contracts within the scope of PFRS 17 have on the financial position, financial performance and cash flows of an entity.

PFRS 17 includes an optional simplified measurement approach, or premium allocation approach, for simpler insurance contracts.

The standard is effective for periods beginning on or after January 1, 2022. Earlier application is permitted.

The adoption of the new standard does not have an impact on the Group for it is not an issuer of insurance contracts.

Amendments to PFRS 3, *References to the Conceptual Framework*

The amendments update PFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to PFRS 3 a requirement that, for obligations within the scope of PAS 37, an acquirer applies PAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after January 1, 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PFRS 10 and PAS 28, *Sale or Contribution of Assets between and Investor and Its Associate or Joint Venture*

The amendments to PFRS 10 and PAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognized in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments to PAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PAS 16, *Property, Plant and Equipment – Proceeds before Intended Use*

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognizes such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with PAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. PAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PAS 37, *Onerous Contracts – Cost of Fulfilling a Contract*

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

Annual Improvements to PFRS Standards 2018-2020 Cycle

Amendments to PFRS 1 – *Subsidiary as a first-time adopter*

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in PFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to PFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in PFRS 1:D16(a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to PFRS 9 – *Fees in the '10 per cent' test for derecognition of financial liabilities*

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to PFRS 16 – *Lease Incentives*

The amendment removes the illustration of the reimbursement of leasehold improvements.

As the amendment to PFRS 16 only regards an illustrative example, no effective date is stated.

Amendments to PAS 41 – *Taxation in fair value measurements*

The amendment removes the requirement in PAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in PAS 41 with the requirements of PFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

New Accounting Standards Effective in 2020 - Adopted by Financial Reporting Standards Council (FRSC) but pending for approval by the Board of Accountancy.

The Company will adopt the following standards once these become effective.

PIC Q&A No. 2019-04, *Conforming Changes to PIC Q&As – Cycle 2019*

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

<u>PIC Q&As Amended</u>

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
PIC Q&A No. 2011-05: PFRS 1 – Fair Value or Revaluation as Deemed Cost	Updated because of applying PFRS 16, Leases, for the first time starting January 1, 2019
PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	Reference to PAS 40, Investment Property, has been updated because of applying PFRS 16 for the first time starting January 1, 2019.

PIC Q&A No. 2012-02: Cost of a new building constructed on the site of a previous building	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2017-02: PAS 2 and PAS 16 - Capitalization of operating lease cost as part of construction costs of a building	Updated to comply with the provisions of PFRS 16 and renamed as PIC Q&A No. 2017-02: PAS 2 and PAS 16 - Capitalization of depreciation of right-of-use asset as part of construction costs of a building
PIC Q&A No. 2017-10: PAS 40 - Separation of property and classification as investment property	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2018-05: PAS 37 - Liability arising from maintenance requirement of an asset held under a lease	Updated to comply with the provisions of PFRS 16
PIC Q&A No. 2018-15: PAS 1- Classification of Advances to Contractors in the Nature of Prepayments: Current vs. Non-current	Reference to PAS 40 (included as an attachment to the Q&A) has been updated because of applying PFRS 16 for the first time starting January 1, 2019.

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2017-09: PAS 17 and Philippine Interpretation SIC-15 - Accounting for payments between and among lessors and lessees	This PIC Q&A is considered withdrawn starting January 1, 2019, which is the effective date of PFRS 16. PFRS 16 superseded PAS 17, Leases, and Philippine Interpretation SIC-15, Operating Leases - Incentives
PIC Q&A No. 2018-07: PAS 27 and PAS 28 - Cost of an associate, joint venture, or subsidiary in separate financial statements	This PIC Q&A is considered withdrawn upon publication of IFRIC agenda decision - Investment in a subsidiary accounted for at cost: Step acquisition (IAS 27 Separate Financial Statements) in January 2019.

The effective date of the amendments is included in the affected interpretations.

The management of the Group is still evaluation the impact of the interpretation.

PIC Q&A No. 2019-06, *Accounting for step acquisition of a subsidiary in a parent*

The interpretation clarifies how a parent should account for the step acquisition of a subsidiary in its separate financial statements.

Salient points of the interpretation are the following:

IFRIC concluded either of the two approaches may be applied:

- Fair value as deemed cost approach

  Under this approach, the entity is exchanging its initial interest (plus consideration paid for the additional interest) for a controlling interest in the investee (exchange view). Hence, the entity's investment in subsidiary is measured at the fair value at the time the control is acquired.

- Accumulated cost approach

  Under this approach, the entity is purchasing additional interest while retaining the initial interest (non-exchange view). Hence, the entity's investment in subsidiary is measured at the accumulated cost (original consideration).

  Any difference between the fair value of the initial interest at the date of obtaining control of the subsidiary and its original consideration is taken to profit or loss, regardless of whether, before the step acquisition transaction, the entity had presented subsequent changes in fair value of its initial interest in profit or loss or other comprehensive income (OCI).

The interpretation is effective for periods beginning on or after October 19, 2019.

The amendments will not have an impact on the Group's financial statements as the Group has no plans for a step acquisition of a subsidiary.

PIC Q&A No. 2019-07, *Classification of Members' Capital Contributions of Non-Stock Savings and Loan Associations (NSSLA)*

The Bangko Sentral ng Pilipinas (BSP) issued Circular No. 1045 on August 29, 2019 to amend the Manual of Regulations for Non-Bank Financial Institutions Applicable to Non-Stock Savings and Loan Associations (MORNBFI-S) – Regulatory Capital of Non-Stock Savings and Loan Associations (NSSLAs) and Capital Contributions of Members.

Under the Circular, each qualified member of an NSSLA shall maintain only one capital contribution account representing his/her capital contribution. While only one capital account is maintained, the Circular breaks down a member's capital contributions as follows:

a. Fixed capital which cannot be reduced for the duration of membership except upon termination of membership. The minimum amount of fixed capital is Php1,000, but a higher minimum can be prescribed under the NSSLA's by-laws.
b. Capital contribution buffer, which pertains to capital contributions in excess of fixed capital. The capital contribution buffer can be withdrawn or reduced by the member without affecting his membership. However, the NSSLA shall establish and prescribe the conditions and/or circumstances when the NSSLA may limit the reduction of the members' capital contribution buffer, such as, when the NSSLA is under liquidity stress or is unable to meet the capital-to-risk assets ratio requirement under Sec. 4116S of the MORNBFI-S Regulations. Such conditions and/or circumstances have to be disclosed to the members upon their placement of capital contribution buffer and in manners as may be determined by the Board.

For purposes of identifying and monitoring the fixed capital and capital contribution buffer of a member's capital contribution, NSSLAs shall maintain subsidiary ledgers showing separately the fixed and capital contribution buffer of each member. Further, upon receipt of capital contributions from their members, NSSLAs shall simultaneously record the amount contributed as fixed and capital contribution buffer in the aforementioned subsidiary ledgers. However, NSSLAs may use other systems in lieu of subsidiary ledgers provided that that the system will separately show the fixed and capital contribution buffer of each member.

The interpretation assessed and concluded that both Fixed Capital and the Capital contribution buffer qualify as "equity" in the NSSLA's financial statements as they both meet all the requirements of paragraphs 16A and 16B of PAS 32, *Financial Instruments:* Presentation.

The interpretation is effective for periods beginning on December 11, 2019 and should be applied retrospectively.

The amendments will not have an impact on the Group's financial statements as the Company is not a non-stock savings and loan association.

PIC Q&A No. 2019-08, *PFRS 16, Leases - Accounting for Asset Retirement or Restoration Obligation ("ARO")*

The interpretation clarifies the recognition of ARO under the following scenarios:

1) Accounting for ARO at lease commencement date

The cost of dismantling and restoration (i.e., the ARO) should be calculated and recognized as a provision in accordance with PAS 37, with a corresponding adjustment to the related ROU asset as required by PFRS 16.24(d). As such, the lessee will add the amount of ARO to the cost of the ROU asset on lease commencement date, which will then form part of the amount that will be amortized over the lease term.

2) Change in ARO after initial recognition

2.1) Because ARO is not included as a component of lease liability, the measurement of such ARO is outside the scope of PFRS 16. Hence, its measurement is generally not affected by the transition to PFRS 16. Except in cases where the reassessment of lease-related assumptions (e.g., lease term) would affect the measurement of ARO-related provision, the amount of ARO existing at transition date would not be remeasured; rather, the balance of the ARO provision and any related asset will remain as previously measured. The asset will simply be reclassified from property and equipment to the related ROU asset as required under PFRS 16.24(d).

2.2) Assuming there is a change in lease-related assumptions that would impact the ARO measurement (e.g., change in lease term due to the new PFRS 16 requirements), the following will be the accounting treatment depending on the method used by the lessee in adopting PFRS 16:

a. *Modified retrospective approach* - Under this approach, the lessee uses the remaining lease term to discount back the amount of provision to transition date. Any adjustment is recognized as an adjustment to the ROU asset and ARO provision. This adjustment applies irrespective of which of the two methods in measuring the ROU asset will be chosen under the modified retrospective approach.

b. *Full retrospective approach* - The ARO provision and related asset, which gets adjusted to the ROU asset, should be remeasured from commencement of the lease, and then amortized over the revised or reassessed lease term. Because full retrospective approach is chosen, it is possible that the amount of cumulative adjustment to the ARO provision and the ROU asset at the beginning of the earliest period presented will not be the same; hence, it is possible that it might impact retained earnings.

The future adoption of the interpretation is still being assessed by the Group's Management.

PIC Q&A No. 2019-09, *Accounting for Prepaid Rent or Rent Liability Arising from Straight-lining under PAS 17 on Transition to PFRS 16 and the Related Deferred Tax Effects*

The interpretation aims to provide guidance on the following:

1. How a lessee should account for its transition from PAS 17 to PFRS 16 using the modified retrospective approach. Specifically, this aims to address how a lessee should, on transition, account for any existing prepaid rent or rent liability arising from straight-lining of an operating lease under PAS 17, and

2. How to account for the related deferred tax effects on transition from PAS 17 to PFRS 16.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-10, *Accounting for variable payments with rent review*

Some lease contracts provide for market rent review in the middle of the lease term to adjust the lease payments to reflect a fair market rent for the remainder of the lease term. This Q&A provides guidance on how to measure the lease liability when the contract provides for a market rent review.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-11, *Determining the current portion of an amortizing loan/lease liability*

The interpretation aims to provide guidance on how to determine the current portion of an amortizing loan/lease liability for proper classification/presentation between current and non-current in the statement of financial position.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-12, *PFRS 16, Leases – Determining the lease term*

The interpretation provides guidance on how an entity determines the lease term under PFRS 16.

A contract would be considered to exist only when it creates rights and obligations that are enforceable. Therefore, any non-cancellable period or notice period in a lease would meet the definition of a contract and, thus, would be included as part of the lease term. To be part of a contract, any option to extend or terminate the lease that are included in the lease term must also be enforceable.

If optional periods are not enforceable (e.g., if the lessee cannot enforce the extension of the lease without the agreement of the lessor), the lessee does not have the right to use the asset beyond the non-cancellable period. Consequently, by definition, there is no contract beyond the non-cancellable period (plus any notice period) if there are no enforceable rights and obligations existing between lessee and lessor beyond that term.

In assessing the enforceability of a contract, an entity should consider whether the lessor can refuse to agree to a request from the lessee to extend the lease. Accordingly, if the lessee has the right to extend or terminate the lease, there are enforceable rights and obligations beyond the initial non-cancellable period and thus, the parties to the lease would be required to consider those optional periods in their assessment of the lease term. In contrast, a lessor's right to terminate a lease is ignored when determining the lease term because, in that case, the lessee has an unconditional obligation to pay for the right to use the asset for the period of the lease, unless and until the lessor decides to terminate the lease.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, an entity shall consider all relevant facts and circumstances (i.e., including those that are not indicated in the lease contract) that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-13, *PFRS 16, Leases – Determining the lease term of leases that are renewable subject to mutual agreement of the lessor and the lessee*

The interpretation provides guidance on how an entity determines the lease term under PFRS 16. This interpretation focuses on lease contracts that are renewable subject to mutual agreement of the parties.

A renewal option is only considered in determining the lease term if it is enforceable. A renewal that is still subject to mutual agreement of the parties is legally unenforceable under Philippine laws until both parties come to an agreement on the terms.

In instances where the lessee has known to be, historically, renewing the lease contract after securing mutual agreement with the lessor to renew the lease contract, the lessee's right to use the underlying asset does not go beyond the one-year period covered by the current contract, as any renewal still has to be agreed on by both parties. A renewal is treated as a new contract.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-01, *Conforming Changes to PIC Q&As – Cycle 2020*

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

PIC Q&As Amended

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
Framework 4.1 and PAS 1.25 – Financial statements prepared on a basis other than going concern	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2016-03: Accounting for common areas and the related subsequent costs by condominium corporations	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2011-03: Accounting for intercompany loans	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2017-08: PFRS 10 – Requirement to prepare consolidated financial statements where an entity disposes of its single investment in a subsidiary, associate or joint venture	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2018-14: PFRS 15 – Accounting for cancellation of real estate sales	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	With the amendment to PFRS 3 on the definition of a business effective January 1, 2020, there is additional guidance in paragraphs B7A-B12D of PFRS 3 in assessing whether acquisition of investment properties is an asset acquisition or business combination (i.e. optional concentration test and assessment of whether an acquired process is substantive)

The effective date of the amendments is included in the affected interpretations.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-02, *Conclusion on PIC QA 2018-12E: On certain materials delivered on site but not yet installed*

The interpretation provides guidance on the treatment of the customized materials in recognizing revenue using a cost-based input method.

For each performance obligation satisfied over time, entity shall recognize the revenue by measuring towards complete satisfaction. In such case, materials that are customized, even if uninstalled, are to be included in the measurement of progress in completing its performance obligations.

However, in the case of uninstalled materials that are not customized, revenue should only be recognized upon installation or use in construction. Revenue cannot be recognized even up to the extent of cost unless it met all the criteria listed in the standards.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-03, *On the accounting of the difference when the percentage of completion is ahead of the buyer's payment*

The interpretation clarifies that recognition of either contract asset or receivable is acceptable in case the revenue recognized based on percentage of completion (POC) is ahead of the buyer's payment as long as this is consistently applied in transactions of the same nature and disclosure requirements of PFRS 15 for contract assets or receivables, as applicable, are complied.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-04(Addendum to PIC Q&A 2018-12-D), *PFRS 15 - Step 3 - Requires and Entity to Determine the Transaction Price for the Contract*

The interpretation clarifies that, in case of mismatch between the POC and schedule of payments, there is no significant financing component if the difference between the promised consideration and the cash selling price of the goods or service arises for the reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-05, PFRS 15 - *Accounting for Cancellation of Real Estate Sales*

The interpretation provided guidance on the accounting for cancellation of real estate sales and the repossession of the property. They provided three(3) approaches as follows:

1. The repossessed property is recognized at its fair value less cost to repossess
2. The repossessed property is recognized at its fair value plus repossession cost
3. Accounted as modification of contract

Either of the above mentioned approaches are acceptable as long as its applied consistently. All approaches above should consider payments to buyers required under the Maceda Law and the write-off of any unamortized portion of cost of obtaining a contract in its determination of gain/loss from repossession.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-06, PFRS 16 - *Accounting for payments between and among lessors and lessees*

The interpretation provides for the treatment of payments between and among lessors and lessees as follows:

		Treatments in the financial statements of			
	Transaction	Lessor	Old lessor	New Lessee	Basis
1.	Lessor pays old lessee - lessor intends to renovate the building	i. Recalculate the revised leased payments (net of the one-off amount to be paid) and amortize over the revised lease term. ii. If net payable, recognize as expense unless the amount to be paid qualifies as capitalizable cost under PAS 16 or PAS 40; in which case it is capitalized as part of the carrying amount of the associated property if it meets the definition of construction costs under PAS 16 or PAS 40.	i. Recognize in profit and loss at the date of modification the difference between the proportionate decrease in the right-of-use asset based on the remaining right-of-use asset for the remaining period and remaining lease liability calculated as the present value of the remaining lease payments discounted using the original discount rate of the lease. ii. Recognize the effect of remeasurement of the remaining lease liability as an adjustment to the right-of use-asset by referring to the revised lease payments (net of any amount to be received from the lessor)and using a revised discount rate. iii. Revisit the amortization period of right-of-use asset and any related leasehold improvement following the shortening of the term.		• PFRS 16; par. 87 • PAS 16; pars. 6, 16-17 • PAS 40; par. 21 • PFRS 16; par. 45 • Illustrative example 18 issued by IASB • PAS 16; pars. 56-57
2.	Lessor pays old lessee - new lease with higher quality lessee	Same as Item 1	Same as Item 1		Same as Item 1 PFRS 16 par. 83
3.	Lessor pays new lessee - an incentive to occupy	i. Finance lease: • If made after commencement date, incentive payable is credited with offsetting debit entry to the net investment lease. • If paid at or prior to commencement date, included in the calculation of gain or loss on disposal on finance lease. ii. Operating lease add the initial direct costs to the carrying amount of underlying asset and recognize as expense over the lease term either on a straight-line		i. Record as a deduction to the cost of the right-of-use asset. ii. Lease incentive receivable is also included as reduction in measurement of lease liability. iii. When lessee receives the payment of lease incentive, the amount received is debited with a credit entry to gross up the lease liability.	• PAS 16; par. 68 • PAS 16; par. 71 • PFRS 16; par. 83 • PFRS 16; par. 24

		basis of another systematic basis.			
4.	Lessor pays new lessee - building alterations specific to the lessee with no further value to lessor.	Same as Item 3		i. Same as in fact pattern 1C. ii. Capitalize costs incurred by the lessee for alterations to the building as leasehold improvement in accordance with PAS 16 or PAS 40.	• Same as in fact pattern 1C. • PAS 40; par. 21 • PAS 16; pars. 16-17
5.	Old lessee pays lessor to vacate the leased premises early	Recognize as income immediately, unless it was within the original contract and the probability criterion was previously met, in which case, the amount would have already been recognized as income using either a straight-line basis or another systematic basis.	Recognize as expense immediately unless it was within the original contract and the probability criterion was previously met, in which case, the financial impact would have been recognized already as part of the lease liability.		• PAS 16 • PAS 38 • PFRS 16; par. 18
6.	Old lessee pays new lessee to take over the lease		Recognize as an expense immediately.	Recognize as income immediately.	• PAS 16 • PAS 38 • PFRS 16; Appendix A
7.	New lessee pays lessor to secure the right to obtain a lease agreement	i. If finance lease, recognize gain or loss in the profit or loss arising from the derecognition of underlying assets ii. If operating lease, recognize as deferred revenue and amortize over the lease term on a straight-line basis or another systematic basis.		Recognize as part of the cost of the right-of-use asset.	PFRS 16; par. 24 • PAS 16; par. 71 • PFRS 16; par 81
8.	New lessee pays old lessee to buy out the lease agreement		Recognize as again immediately. Any remaining lease liability and right-of-use asset will be derecognized with net amount through P&L.	Account for as initial direct cost included in the measurement of the right-of-use asset.	• PFRS 16; Appendix A • PFRS 16; Example 13 in par. IE5 • PFRS 16; par. 24

The future adoption of the interpretations is still being assessed by the Group's Management.

2. *Seasonality Aspects of the Business*

Like any other company in the construction industry, the operations of the Group are affected by seasonality. Net sales are generally higher in dry months from February to May and lower during the rainy months of June to November. Low sales are also experienced during December due to holidays until early January. Unpredictable weather could also significantly affect sales and profitability compared to previous periods coupled with any unforeseen circumstances like disruptions in productions.

3. ***Financial Risk Management Objectives and Policies***

General Risk Management Approach

The Group is exposed to various financial risks, which include the effect of changes in debt structure, equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential and adverse effects on the financial performance of the Group. The Group does not enter into other derivative or financial transactions which are unrelated to its operating business as a risk-averse approach is pursued.

Financial risk management of the Group is governed by policies approved by management. It provides principles for overall risk management, as well as policies covering specific risk areas such as interest rate risk, foreign exchange risk, counterparty risk, and use of derivative financial instruments and investing assets in excess of liquidity requirements.

The Group's principal financial instruments, other than derivatives, consist of cash and cash equivalents and notes payable. The main purpose of these financial instruments is to raise funds for the Group's operations. The Group also has various other financial assets and liabilities such as trade and other receivables, advances to employees, guarantee deposits, restricted cash and trade and other payables which arise directly from operations.

The main risks arising from the Group's financial instruments are market risks (which include foreign currency risk and interest rate risk), credit risk and liquidity risk. The BOD reviews and approves the policies for managing each of these risks and they are summarized below. The Group's accounting policies in relation to financial instruments are set out in Note 4 to the consolidated financial statements.

Market Risks

The Group is exposed to market risks, such as foreign currency and interest rate risks. To manage volatility relating to these exposures, the Group enters into derivative financial instruments, when necessary. The Group's objective is to reduce, where appropriate, fluctuations in earnings and cash flows associated with changes in foreign currency, interest rate and equity price.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has foreign exchange exposures, arising primarily from purchases of goods and services and debt servicing requirements in currencies other than the Philippine Peso that leads to currency translation effects. As of June 30, 2021, there are no revenues denominated in currencies other than the Philippine Peso.

Due to the local nature of the cement business, transaction risk is limited. However, income may primarily be in local currency whereas debt servicing and significant amount of capital expenditures may be in foreign currencies. As a consequence thereof, the Group may enter into derivative contracts whenever necessary, which may be designated either as cash flow hedges or fair value hedges, as appropriate.

As of June 30, 2021, the Group had minimal assets and liabilities exposed to foreign currency risks.

Interest Rate Risk

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates.

The Group is exposed to fluctuations in financing costs and market value movements of its debt portfolio related to changes in market interest rates. The Group's interest rate exposure is mainly addressed through the steering of the fixed/floating ratio of net debt. To manage this mix, the Group may enter into derivative transactions, as appropriate. As at June 30, 2021 and 2020, the Group has minimal exposure to interest rate risk.

Credit Risk

Credit risk is the risk that counterparties may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers.

The Group constantly monitors its credit risk exposures. Counterparties to financial instruments consist of a large number of major financial institutions. The Group does not expect any counterparties to fail in meeting their obligations, given their high credit ratings. In addition, the Group has no significant concentration of credit risk with any single counterparty or group of counterparties.

The maximum and minimum exposure to credit risk is represented by the carrying amount of each financial asset.

The Group trades only with recognized, credit-worthy third parties. It is the Group's policy that all third party customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Group's exposure to bad debts to minimum.

With respect to credit risk arising from the other financial assets of the Group, which consist of due from related parties, advances to employees, AFS financial assets, and guarantee and refundable deposits, the Group's exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet its contractual obligations and commitments. The seasonality of revenue generation exposes the Group to shortage of funds during slack season and may result in payment defaults of financial commitments. The Group monitors this risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial assets and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities, finance leases and purchase contracts. It is responsible for its own cash surpluses and the raising of loans to cover cash deficits, subject to policies and guidelines approved by management and, in certain cases, at the BOD level.

The Group maintains sufficient reserves of cash and cash equivalents, which are short-term in nature, unused credit lines and readily available marketable securities to meet its liquidity requirements at all times. In addition, the strong credit worthiness of the Group allows it to make efficient use of the financial markets for financing purposes. As at June 30, 2021, the Group has unutilized credit facilities of ₱13.0 billion.

Capital Management Policy

The Group considers equity attributable to the equity holders of the Parent Company as its capital. The Group's objectives when managing capital are to secure the Group's ongoing financial needs to continue as a going concern as well as to cater for its growth targets in order to provide returns to shareholders and benefits for other stakeholders and to maintain a cost-efficient and risk-optimized capital structure.

The Group manages the capital structure and makes adjustments to it in light of the changes in economic conditions, its business activities, investment and expansion program and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors capital, among others, on the basis of gearing ratio.

4. *Financial Assets and Liabilities*

Fair Value of Financial Instruments

The estimated fair value of each class of the Group's financial instruments, is equal to their carrying amount as at June 30, 2021 and December 31, 2020. The following methods and assumptions are used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash and Cash Equivalents, Trade and Other Receivables, Short-term Financial Receivable, Loan Payable and Trade and Other Payables. Due to the short-term nature of the transactions, the fair values of these instruments approximate the corresponding carrying values as at end of each reporting period.

AFS Financial Assets. The fair values of publicly traded instruments are determined by reference to quoted market prices as at the end of each reporting period. Investments in unquoted equity securities are carried at cost, net of any impairment in value.

Guarantee Deposits. These are carried at cost, less any impairment in value, which approximates their fair values calculated using the discounted cash flows method.

Fair Value Hierarchy

As at June 30, 2021 and December 31, 2020, the Group's financial instruments measured at fair value include only the quoted equity securities, classified as AFS financial assets (Level 1).

As at June 30, 2021 and December 31, 2020, the Group does not have financial instruments whose fair values are determined using inputs that are not based on observable market data (Level 3). There were no reclassifications made between the different fair value hierarchy levels in 2021 and 2020.

5. *Segment Reporting*

Operating segments are components of the Group that engage in business activities from which they may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group), which operating results are regularly reviewed by the chief operating decision maker* to make decisions about how resources are to be allocated to each of the segments and to assess their performances, and for which discrete financial information is available. Management reassesses on an annual basis whether there have been any change in the operating segments or in the reportable operating segments in accordance with PFRS 8, *Operating Segments.*

For management purposes, the Group is organized into activities based on their products and has two segments, as follows:

- Clinker and Cement segment, which manufactures and sells clinker and cement for domestic customers; and

- Other Construction Materials and services segment, which includes operations from Specialty Products and Aggregates Trading.

Management monitors the operating results of its business segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is based on operating EBITDA and is measured consistently with consolidated net income in the consolidated statement of profit or loss and other comprehensive income. However, the Group's finance income and charges and income taxes are managed on a group basis, and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis similar to transactions with third parties.

Segment revenues, EBITDA, assets and liabilities as at June 30, 2021 and 2020 are presented below:

	2021				
	Clinker and cement	**Others**	**Total**	**Adjustments and eliminations**	**Consolidated**
			(In Thousands)		
Revenue:					
External customers	**₱13,073,665**	**₱538,208**	**₱13,611,873**	**₱ 49,544**	**₱13,661,417**
Inter-segment	**6,676**	**–**	**6,676**	**(6,676)**	**–**
	₱13,080,341	**₱538,208**	**₱13,618,549**	**₱ 42,868**	**₱13,661,417**
Operating EBITDA	**₱ 3,635,562**	**₱411,155**	**₱ 4,046,717**	**(₱ 895,792)**	**₱ 3,150,925**
Segment assets	**30,475,833**	**422,329**	**30,898,163**	**11,331,962**	**42,230,124**
Segment liabilities	**9,279,492**	**507,871**	**9,787,364**	**3,953,894**	**13,741,257**

	2020				
	Clinker and cement	Others	Total	Adjustments and eliminations	Consolidated
			(In Thousands)		
Revenue:					
External customers	₱11,063,331	₱309,296	₱11,372,627	₱45,937	₱11,418,564
Inter-segment	14,089	–	14,089	(14,089)	–
	₱11,077,420	₱309,296	₱11,386,716	₱31,848	₱11,418,564
Operating EBITDA	₱2,211,800	₱203,706	₱2,415,506	(₱710,044)	₱1,705,462
Segment assets	30,887,013	233,391	31,120,403	12,565,098	43,685,501
Segment liabilities	9,559,142	398,851	9,957,993	5,545,223	15,503,216

* Chief operating decision maker is composed of the Group's Executive Committee

6. *Retained Earnings*

On May 27, 2021, the BOD declared a total of ₱2.77 billion of cash dividends at ₱0.43 per share to its stockholders of record as of June 16, 2021.

Interim Disclosures

As of this update, the Group filed a petition to vacate the Arbitral Award at the Regional Trial Court at Taguig City ("Taguig Court"), which Seasia asked to be dismissed on jurisdictional grounds. Seasia filed a petition for confirmation at the Regional Trial Court at Bataan ("Bataan Court"), which the Group is currently opposing due to several infirmities in the arbitral award and issues against the Bataan Court's jurisdiction resulting from the premature filing of the petition. Both petitions are currently pending resolution and Group's funds at a third party bank are still garnished.

Aside from the disclosure above, the Group is not aware of the following or is not applicable to the Group's interim operations:

1. Unusual items that materially affect the Group's consolidated assets, liabilities, equity, net income or cash flows because of their nature, size or incidents.

2. Changes in estimates of amounts reported in prior financial years that have a material effect in the current period.

3. Issuances and repurchases of equity securities.

4. Material changes in contingent liabilities or contingent assets since the last annual balance sheet date.

5. Existence of material contingencies and other events of transactions that are material to an understanding of the current interim period.

6. Known trends, demands, commitments, events and uncertainties that will result in or likely to decrease its liquidity in any material way. The Group does not anticipate having within the next twelve (12) months any cash flow or liquidity problems nor does it anticipate any default or breach of any of its existing notes, loans, leases, other indebtedness or financing arrangements requiring it to make payments.

7. Events that will trigger direct or contingent material financial obligations to the Group.

8. Material off-balance sheet transactions, arrangements, obligations (direct or contingent), and other relationships of the Group with unconsolidated entities or other persons created during the year.

9. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales/revenues/income from continuing operations.

10. Significant elements of income or loss that did not arise from the Group's continuing operations.

11. Material events subsequent to end of the reporting period that have not been reflected in this report.

12. Material changes in the composition of the Group, including any business combination, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.

13. Any seasonal aspect that had a material effect on the financial condition or results of operation.

Material Changes in Balance Sheet Accounts

22% increase in Cash and cash equivalents
Mainly due to higher cash generated from operations and lower capital expenditures.

18% decrease in Short-term financial receivables
The decrease was due to collection of loans extended to a related party.

9% increase in Trade and other receivables
Movement was due to higher credit sales mix over cash sales.

15% increase in Inventories
Increase was due to purchase of imported materials to support increase in production operations and the deferral of scheduled plant shutdown of one plant.

44% increase in Other current assets
Largely attributable to real property taxes prepaid for the whole year.

9% decrease in Right-of-Use Assets
Mainly due to the depreciation expense recognized for the period.

17% decrease in Intangible Assets -net
Due to amortization expenses recognized for the period.

19% increase in Trade and other payables
The movement was due to outstanding dividends payable to related parties partially offset by the payments to local vendors and importation and the depletion of customer cash advances.

153% increase in Income tax payable
Mainly due to higher income generated as compared to same period last year.

12% decrease in Lease liability – current portion
Due to payments made for leases in the first half of the year.

6% increase in Provisions
Increase was due to the impact of adjustment relating to 2019 accrual.

74% increase in deferred tax liabilities - net
Mainly due to the accruals and pension liability coupled with the impact of CREATE bill.

10% decrease in Retained earnings
Movement pertains to income generated during the first half of the year net of cash dividends declared.

7% increase on Minority interest
Due to net profit recognized for the period.

Material Changes in Income Statement Accounts

20% increase in Net sales
Mainly due to higher volumes sold as compared to prior year which was affected by strict implementation of community quarantine.

8% increase in Cost of goods sold
The movement was driven by higher production costs from higher volumes produced as the Company returned to its full scale of operations this year.

13% increase in Operating expenses
Mainly attributable to higher third party spending and personnel cost as compared to prior year which has benefited from rationalized workforce deployment.

89% decrease in Net financial expenses
Mainly due to favorable movement in financial expenses from related parties and third parties as a result of settlement of loans in the latter part of 2020.

1162% increase in Income (Expenses) on non-operating assets
Mainly due to share in the accumulated undistributed income incurred by associate during the year

284% increase in Provision for income tax
Due to higher taxable income as of the current period.

19% decrease in Noncontrolling interest in net income
Mainly due to lower profit of subsidiary compared to same period last year.

Holcim Philippines, Inc. and Subsidiaries
Schedule of Financial Soundness Indicators

Financial KPI	Definition	For the three (3) Months Ended June 30	
		2021	2020
<u>Current/Liquidity ratio</u> Current Ratio	Current Assets / Current Liabilities	76.6%	77.7%
<u>Solvency ratio/Debt-to-equity ratio</u> Gearing	Net Financial Debt (Asset) / Stockholder's Equity	(7.8%)	(1.9%)
<u>Asset to Equity Ratios</u> Asset to Equity Ratio/ Equity Multiplier	Total Assets / Stockholder's Equity	148.2%	155.0%
<u>Interest Rate Coverage Ratio</u> Interest Rate Coverage	Income before Tax / Net Interest	66.4 times	2.7 times
<u>Profitability Ratios</u> Return on Assets	Net Income / Average Total Assets	3.9%	0.9%
Return on Equity	Net Income / Average Total Equity	5.6%	1.5%

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HOLCIM PHILIPPINES, INC.

Jessa Rojas

Jesusa Natividad L. Rojas
Chief Financial Officer
Date: July 29, 2021

COVER SHEET

2	6	1	2	6

SEC Registration Number

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES

(Company's Full Name)

7th Floor, Two World Square, Mckinley Hill, Fort Bonifacio, Taguig City

(Business Address: No. Street City/Town/Province)

Dennis G. Segovia Jr.
(Contact Person)

(3rd Quarter 2021)

8581-1511
(Company Telephone Number)

0 9 3 0
Month *Day*
(Fiscal Year)

SEC FORM 17-Q
For the quarter ended September 30, 2021
(Form Type)

Month *Day*
(Annual Meeting)

(Secondary License Type, If Applicable)

CFD
Dept. Requiring this Doc.

–
Amended Articles Number/Section

Total Amount of Borrowings

5,247
Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

SECURITIES AND EXCHANGE COMMISSION

FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended September 30, 2021

2. Commission identification number 026126 3. BIR Tax Identification No 000-121-507-000

4. Exact name of issuer as specified in its charter HOLCIM PHILIPPINES, INC.

5. Province, country or other jurisdiction of incorporation or organization Republic of the Philippines
6. Industry Classification Code: (SEC Use Only)

7. Address of issuer's principal office Postal Code

   7th Floor Two World Square, McKinley Hill, Fort Bonifacio, Taguig City 1634
8. Issuer's telephone number, including area code (632) 8581-1511
9. Former name, former address and former fiscal year, if changed since last report N. A.

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	6,452,099,144

11. Are any or all of the securities listed on a Stock Exchange?

    Yes [x] No [ ]

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

    Philippine Stock Exchange, Inc. Common Shares

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

    Yes [x] No [ ]

    (b) has been subject to such filing requirements for the past ninety (90) days.

    Yes [x] No [ ]

PART I- FINANCIAL INFORMATION

Item 1. Financial Statements.

Exhibit I – Consolidated Balance Sheets as of September 30, 2021 and December 31, 2020
Exhibit II – Consolidated Statements of Income for the quarters ended September 30, 2021 and 2020
Exhibit III – Consolidated Statements of Comprehensive Income for the quarters ended September 30, 2021 and 2020
Exhibit IV – Consolidated Statements of Changes in Stockholders' Equity for the quarters ended September 30, 2021 and 2020
Exhibit V – Consolidated Statements of Cash Flows for the quarters ended September 30, 2021 and 2020
Exhibit VI – Aging of Trade and Other Receivables as of September 30, 2021

HOLCIM PHILIPPINES, INC.
CONSOLIDATED BALANCE SHEETS
As of September 30, 2021 and December 31, 2020
(In Thousands)

	30 Sept 2021	31 Dec 2020
ASSETS		
Current Assets		
Cash and cash equivalents	₱1,161,488	₱2,080,791
Trade and other receivables - net	2,547,104	2,601,420
Inventories	3,673,159	2,851,169
Short-term financial receivables	245,581	465,657
Other current assets	502,802	417,775
Total Current Assets	**8,130,134**	**8,416,812**
Noncurrent Assets		
Investments	4,384,817	4,299,259
Property, plant and equipment – net	19,485,453	19,525,534
Right-of-use assets	1,604,317	1,866,896
Goodwill	2,635,738	2,635,738
Intangibles – net	14,384	19,445
Retirement assets – net	2,095,690	2,161,204
Other noncurrent assets	2,364,745	2,440,534
Total Noncurrent Assets	**32,585,144**	**32,948,610**
	₱40,715,278	**₱41,365,422**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Trade and other payables	9,303,853	9,301,296
Current portion of lease liabilities	1,052,475	1,218,146
Income tax payable	173,638	161,427
Total Current Liabilities	**10,529,966**	**10,680,869**
Noncurrent Liabilities		
Long-term lease liabilities	691,803	841,920
Provisions	74,479	74,479
Deferred tax liabilities – net	260,601	136,099
Total Noncurrent Liabilities	**1,026,883**	**1,052,498**
Equity Attributable to Equity Holders of Parent		
Capital stock	6,452,099	6,452,099
Additional paid-in capital	8,476,002	8,476,002
Remeasurement loss on retirement benefits - net	1,423,446	1,423,446
Other reserves	4,050	4,050
Retained earnings	12,786,381	13,261,328
	29,141,978	**29,616,925**
Noncontrolling Interest	**16,451**	**15,130**
Total Stockholders' Equity	**29,158,429**	**29,632,055**
	₱40,715,278	**₱41,365,422**

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF INCOME
For the quarters ended September 30, 2021 and 2020
(In Thousands, Except Per Share Data)

	Quarter Ended		Nine (9) Months Ended	
	Jul-Sept 2021	**Jul-Sept 2020**	**Jan-Sept 2021**	**Jan-Sept 2020**
Net Sales	**₱ 6,486,778**	**₱ 7,361,373**	**₱ 20,148,195**	**₱18,779,937**
Cost of sales	4,764,565	5,591,455	14,651,228	14,751,641
Gross Profit	**1,722,213**	**1,769,918**	**5,496,967**	**4,028,296**
Operating expenses	416,698	274,233	1,040,527	827,149
Operating EBITDA	**1,305,515**	**1,495,685**	**4,456,440**	**3,201,147**
Depreciation and amortization	440,287	489,552	1,363,515	1,380,980
Profit from Operations	**865,228**	**1,006,133**	**3,092,925**	**1,820,167**
Other income (expenses)				
Net financial expense	(38,607)	(40,388)	(65,249)	(278,669)
Other income (expense) - net	17,825	25,464	91,681	31,315
Total	(20,782)	(14,924)	26,432	(247,354)
Profit before Income Tax	**844,446**	**991,209**	**3,119,357**	**1,572,813**
Provision for income tax				
Current	150,804	310,795	728,092	506,116
Deferred	24,081	66,717	90,968	39,166
	174,885	377,512	819,060	545,282
Profit for the Period	**669,561**	**613,697**	**2,300,297**	**1,027,531**
Noncontrolling interest	(300)	(253)	(842)	(919)
Profit for the period attributable to Equity holders of the Parent Company	**₱ 669,261**	**₱ 613,444**	**₱ 2,299,455**	**₱ 1,026,612**
Basic/Diluted Earnings Per Share (EPS)				
Computation of EPS:				
(a) Profit for the period attributable to Equity holders of the parent company	**₱ 669,261**	**₱ 613,444**	**₱ 2,299,455**	**₱ 1,026,612**
(b) Common shares issued and outstanding	6,452,099	6,452,099	6,452,099	6,452,099
EPS [(a)/(b)]	**₱ 0.104**	**₱ 0.951**	**₱ 0.356**	**₱ 0.159**

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the quarters ended September 30, 2021 and 2020
(In Thousands)

	Quarter Ended		Nine (9) Months Ended	
	July-Sept 2021	**July-Sept 2020**	**Jan-Sept 2021**	**Jan-Sept 2020**
Total Comprehensive Income	**₱ 669,561**	**₱613,697**	**₱2,300,297**	**₱1,027,531**
Attributable to:				
Equity holders of Parent Company	669,261	613,950	2,298,976	1,027,770
Noncontrolling interest	(300)	(253)	(1,321)	(239)
Total Comprehensive Income	**₱669,561**	**₱613,697**	**₱2,300,297**	**₱1,027,531**

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the Nine (9) months ended September 30, 2021 and 2020
(In Thousands)

	Jan-Sept 2021	Jan-Sept 2020
Capital Stock		
Common Stock		
Balance at beginning of period	₱6,452,099	₱6,452,099
Issuances (Retirement)	–	–
Balance at end of period	**6,452,099**	**6,452,099**
Additional Paid-in Capital		
Balance at beginning of period	8,476,002	8,476,002
Issuances (Retirement)	–	–
Balance at end of period	**8,476,002**	**8,476,002**
Other comprehensive income	**1,423,446**	**1,624,205**
Other reserves	**4,050**	**4,475**
Retained Earnings		
Balance at beginning of period	13,261,328	11,199,025
Profit for the Period	2,299,455	1,026,612
Cash dividends - 0.43per share	(2,774,402)	–
Balance at end of period	**12,786,381**	**12,225,637**
Noncontrolling Interest	**16,451**	**13,563**
	₱29,158,429	**₱28,795,981**

Exhibit V

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine (9) months ended September 30, 2021 and 2020
(In Thousands)

	Jan-Sept 2021	Jan-Sept 2020
Operating Activities		
Profit before Income Tax	**₱3,119,357**	**₱1,572,813**
Adjustments to reconcile profit to cash		
Depreciation and amortization	1,363,515	1,380,980
Other items - net	(741,302)	(872,317)
Changes in current assets and liabilities	(1,580,784)	1,326,179
Cash provided by operating activities	**2,160,786**	**3,407,655**
Investing Activities		
Additions to plant, property and equipment	(796,916)	(679,299)
Increase in other investing activities	75,788	5,946
Cash used in investing activities	**(721,128)**	**(673,353)**
Financing Activities		
Repayment of long-term leases	(341,672)	(215,064)
Loan repayments made by related party	227,090	32,849
Cash dividends paid	(2,244,640)	–
Payment of short-term loans	–	(8,316,071)
Proceeds from short-term loans	–	5,300,000
Increase in short-term financial receivables	–	(14,125)
Cash used in financing activities	**(2,359,222)**	**(3,212,411)**
Net decrease in cash and cash equivalents	**(919,564)**	**(478,109)**
Cash and cash equivalents, beginning	**2,080,791**	**2,961,897**
Effect of exchange rate changes on cash and cash equivalents	**261**	**(3,338)**
Cash and cash equivalents, end	**₱1,161,488**	**₱2,480,450**

Exhibit VI

HOLCIM PHILIPPINES, INC
Aging of Trade and Other Receivables
As of September 30, 2021
(In Thousands)

	Total	Current	1-30 days	31-60 days	Over 60 days
Trade Receivables	**₱821,657**	**₱644,018**	**₱54,695**	**₱ 25,318**	**₱97,626**
Other Receivables	**1,786,311**	**10,761**	**12,516**	**2,738**	**1,760,296**
Total		**₱654,779**	**₱67,211**	**₱28,056**	**₱1,857,922**
Allowance for Doubtful Accounts	**(60,864)**				
Net Receivables	**₱2,547,104**				

Certified correct:

Eliana. Nieto
Chief Financial Officer

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

The Group posted year to date net sales of ₱20.1 billion, higher by 7% compared to ₱18.8 billion reported in the same period last year. This is due to the increase in demand as construction activities are allowed to continue and at increased capacity despite some lockdowns. Aggregates and Dry Mix business performance also improved compared to same period of last year due to higher volumes.

The Group reported total EBITDA of ₱4.5 billion, higher by 39% as compared to ₱1.8 billion reported during the same period last year. Efficiency gains and strong cost discipline helped the Group manage and lower its production and distribution costs coupled with the higher volumes produced. This helped the Group manage the impact of rising costs of fuel and power, business challenges such as logistical bottlenecks and tempered demand caused by renewed restrictions in response to the surge in COVID-19 cases this third quarter coupled with inclement weather conditions. The Group managed to incur lower financial expenses related to its short-term payables and lease liabilities. Net income after tax stood at ₱2.3 billion resulting in earnings per share of ₱0.36.

Financial Position

The Group's financial position has remained healthy with a stable liquid cash position. The return on assets rose to 5.6% as of September 30, 2021 which is higher by 3.3 percentage point from the prior year which is at 2.3% as a result of higher net income. Total assets stood at ₱40.7 billion as of September 30, 2021, 2% lower than December 2020.

Cash Flow Generation

The Group's cash requirements were mainly sourced through cash from operating activities. As of September 30, 2021, there are no outstanding third party loan payables. Please refer to the attached statement of cash flow for details.

Key Performance Indicators

The comparative financial KPI's of the Group for the periods ended September 30, 2021 and 2020 were as follows:

Financial KPI	Definition	For the period ended September 30	
		2021	2020
Profitability			
Return on Equity (ROE)	Net Income / Ave. Total Shareholders' Equity	7.8%	3.6%
Return on Asset (ROA)	Net Income / Average Total Assets	5.6%	2.3%
Efficiency			
EBITDA Margin	Operating EBITDA / Net Sales	22.1%	17.0%
Liquidity			
Gearing	Net Financial Debt (Asset) / Stockholders' Equity	(2.9%)	(4.2%)
EBITDA Net Interest Cover	Operating EBITDA / Net Interest	53.6 times	11.9 times

Profitability and Efficiency

Profitability and efficiency indicators have increased as compared to the same period last year due to higher income generated from operations.

Liquidity

The Group's liquidity position remains strong as evidenced by significant cash balance.

Notes to Financial Statements

1. *Summary of Significant Accounting Policies*

These condensed consolidated interim financial statements have been prepared in accordance with PAS 34 *Interim Financial Reporting* and do not include all of the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2020.

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following amendments effective after the reporting period ended December 31, 2020:

PFRS 17, *Insurance Contracts*

PFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of PFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

The key principles in PFRS 17 are that an entity:

- identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder;
- separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;
- divides the contracts into groups that it will recognize and measure;
- recognizes and measures groups of insurance contracts at:
  i. a risk-adjusted present value of the future cash flows (the fulfillment cash flows) that incorporates all of the available information about the fulfillment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset)
  ii. an amount representing the unearned profit in the group of contracts (the contractual service margin);
- recognizes the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognizes the loss immediately;
- presents separately insurance revenue (that excludes the receipt of any investment component), insurance service expenses (that excludes the repayment of any investment components) and insurance finance income or expenses; and
- discloses information to enable users of financial statements to assess the effect that contracts within the scope of PFRS 17 have on the financial position, financial performance and cash flows of an entity.

PFRS 17 includes an optional simplified measurement approach, or premium allocation approach, for simpler insurance contracts.

The standard is effective for periods beginning on or after January 1, 2022. Earlier application is permitted.

The adoption of the new standard does not have an impact on the Group for it is not an issuer of insurance contracts.

Amendments to PFRS 3, *References to the Conceptual Framework*

The amendments update PFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to PFRS 3 a requirement that, for obligations within the scope of PAS 37, an acquirer applies PAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after January 1, 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PFRS 10 and PAS 28, *Sale or Contribution of Assets between and Investor and Its Associate or Joint Venture*

The amendments to PFRS 10 and PAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognized in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments to PAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PAS 16, *Property, Plant and Equipment – Proceeds before Intended Use*

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognizes such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with PAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. PAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

Amendments to PAS 37, *Onerous Contracts – Cost of Fulfilling a Contract*

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

Annual Improvements to PFRS Standards 2018-2020 Cycle

Amendments to PFRS 1 – *Subsidiary as a first-time adopter*

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in PFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to PFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in PFRS 1:D16(a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to PFRS 9 – *Fees in the '10 per cent' test for derecognition of financial liabilities*

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to PFRS 16 – *Lease Incentives*

The amendment removes the illustration of the reimbursement of leasehold improvements.

As the amendment to PFRS 16 only regards an illustrative example, no effective date is stated.

Amendments to PAS 41 – *Taxation in fair value measurements*

The amendment removes the requirement in PAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in PAS 41 with the requirements of PFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

New Accounting Standards Effective in 2020 - Adopted by Financial Reporting Standards Council (FRSC) but pending for approval by the Board of Accountancy.

The Company will adopt the following standards once these become effective.

PIC Q&A No. 2019-04, *Conforming Changes to PIC Q&As – Cycle 2019*

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

<u>PIC Q&As Amended</u>

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
PIC Q&A No. 2011-05: PFRS 1 – Fair Value or Revaluation as Deemed Cost	Updated because of applying PFRS 16, Leases, for the first time starting January 1, 2019
PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	Reference to PAS 40, Investment Property, has been updated because of applying PFRS 16 for the first time starting January 1, 2019.

PIC Q&A No. 2012-02: Cost of a new building constructed on the site of a previous building	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2017-02: PAS 2 and PAS 16 - Capitalization of operating lease cost as part of construction costs of a building	Updated to comply with the provisions of PFRS 16 and renamed as PIC Q&A No. 2017-02: PAS 2 and PAS 16 - Capitalization of depreciation of right-of-use asset as part of construction costs of a building
PIC Q&A No. 2017-10: PAS 40 - Separation of property and classification as investment property	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2018-05: PAS 37 - Liability arising from maintenance requirement of an asset held under a lease	Updated to comply with the provisions of PFRS 16
PIC Q&A No. 2018-15: PAS 1- Classification of Advances to Contractors in the Nature of Prepayments: Current vs. Non-current	Reference to PAS 40 (included as an attachment to the Q&A) has been updated because of applying PFRS 16 for the first time starting January 1, 2019.

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2017-09: PAS 17 and Philippine Interpretation SIC-15 - Accounting for payments between and among lessors and lessees	This PIC Q&A is considered withdrawn starting January 1, 2019, which is the effective date of PFRS 16. PFRS 16 superseded PAS 17, Leases, and Philippine Interpretation SIC-15, Operating Leases – Incentives
PIC Q&A No. 2018-07: PAS 27 and PAS 28 - Cost of an associate, joint venture, or subsidiary in separate financial statements	This PIC Q&A is considered withdrawn upon publication of IFRIC agenda decision - Investment in a subsidiary accounted for at cost: Step acquisition (IAS 27 Separate Financial Statements) in January 2019.

The effective date of the amendments is included in the affected interpretations.

The management of the Group is still evaluation the impact of the interpretation.

PIC Q&A No. 2019-06, *Accounting for step acquisition of a subsidiary in a parent*

The interpretation clarifies how a parent should account for the step acquisition of a subsidiary in its separate financial statements.

Salient points of the interpretation are the following:

IFRIC concluded either of the two approaches may be applied:

- Fair value as deemed cost approach

  Under this approach, the entity is exchanging its initial interest (plus consideration paid for the additional interest) for a controlling interest in the investee (exchange view). Hence, the entity's investment in subsidiary is measured at the fair value at the time the control is acquired.

- Accumulated cost approach

  Under this approach, the entity is purchasing additional interest while retaining the initial interest (non-exchange view). Hence, the entity's investment in subsidiary is measured at the accumulated cost (original consideration).

  Any difference between the fair value of the initial interest at the date of obtaining control of the subsidiary and its original consideration is taken to profit or loss, regardless of whether, before the step acquisition transaction, the entity had presented subsequent changes in fair value of its initial interest in profit or loss or other comprehensive income (OCI).

The interpretation is effective for periods beginning on or after October 19, 2019.

The amendments will not have an impact on the Group's financial statements as the Group has no plans for a step acquisition of a subsidiary.

PIC Q&A No. 2019-07, *Classification of Members' Capital Contributions of Non-Stock Savings and Loan Associations (NSSLA)*

The Bangko Sentral ng Pilipinas (BSP) issued Circular No. 1045 on August 29, 2019 to amend the Manual of Regulations for Non-Bank Financial Institutions Applicable to Non-Stock Savings and Loan Associations (MORNBFI-S) – Regulatory Capital of Non-Stock Savings and Loan Associations (NSSLAs) and Capital Contributions of Members.

Under the Circular, each qualified member of an NSSLA shall maintain only one capital contribution account representing his/her capital contribution. While only one capital account is maintained, the Circular breaks down a member's capital contributions as follows:

a. Fixed capital which cannot be reduced for the duration of membership except upon termination of membership. The minimum amount of fixed capital is Php1,000, but a higher minimum can be prescribed under the NSSLA's by-laws.
b. Capital contribution buffer, which pertains to capital contributions in excess of fixed capital. The capital contribution buffer can be withdrawn or reduced by the member without affecting his membership. However, the NSSLA shall establish and prescribe the conditions and/or circumstances when the NSSLA may limit the reduction of the members' capital contribution buffer, such as, when the NSSLA is under liquidity stress or is unable to meet the capital-to-risk assets ratio requirement under Sec. 4116S of the MORNBFI-S Regulations. Such conditions and/or circumstances have to be disclosed to the members upon their placement of capital contribution buffer and in manners as may be determined by the Board.

For purposes of identifying and monitoring the fixed capital and capital contribution buffer of a member's capital contribution, NSSLAs shall maintain subsidiary ledgers showing separately the fixed and capital contribution buffer of each member. Further, upon receipt of capital contributions from their members, NSSLAs shall simultaneously record the amount contributed as fixed and capital contribution buffer in the aforementioned subsidiary ledgers. However, NSSLAs may use other systems in lieu of subsidiary ledgers provided that that the system will separately show the fixed and capital contribution buffer of each member.

The interpretation assessed and concluded that both Fixed Capital and the Capital contribution buffer qualify as "equity" in the NSSLA's financial statements as they both meet all the requirements of paragraphs 16A and 16B of PAS 32, *Financial Instruments:* Presentation.

The interpretation is effective for periods beginning on December 11, 2019 and should be applied retrospectively.

The amendments will not have an impact on the Group's financial statements as the Company is not a non-stock savings and loan association.

PIC Q&A No. 2019-08, *PFRS 16, Leases - Accounting for Asset Retirement or Restoration Obligation ("ARO")*

The interpretation clarifies the recognition of ARO under the following scenarios:

1) Accounting for ARO at lease commencement date

The cost of dismantling and restoration (i.e., the ARO) should be calculated and recognized as a provision in accordance with PAS 37, with a corresponding adjustment to the related ROU asset as required by PFRS 16.24(d). As such, the lessee will add the amount of ARO to the cost of the ROU asset on lease commencement date, which will then form part of the amount that will be amortized over the lease term.

2) Change in ARO after initial recognition

2.1) Because ARO is not included as a component of lease liability, the measurement of such ARO is outside the scope of PFRS 16. Hence, its measurement is generally not affected by the transition to PFRS 16. Except in cases where the reassessment of lease-related assumptions (e.g., lease term) would affect the measurement of ARO-related provision, the amount of ARO existing at transition date would not be remeasured; rather, the balance of the ARO provision and any related asset will remain as previously measured. The asset will simply be reclassified from property and equipment to the related ROU asset as required under PFRS 16.24(d).

2.2) Assuming there is a change in lease-related assumptions that would impact the ARO measurement (e.g., change in lease term due to the new PFRS 16 requirements), the following will be the accounting treatment depending on the method used by the lessee in adopting PFRS 16:

a. *Modified retrospective approach* - Under this approach, the lessee uses the remaining lease term to discount back the amount of provision to transition date. Any adjustment is recognized as an adjustment to the ROU asset and ARO provision. This adjustment applies irrespective of which of the two methods in measuring the ROU asset will be chosen under the modified retrospective approach.

b. *Full retrospective approach* - The ARO provision and related asset, which gets adjusted to the ROU asset, should be remeasured from commencement of the lease, and then amortized over the revised or reassessed lease term. Because full retrospective approach is chosen, it is possible that the amount of cumulative adjustment to the ARO provision and the ROU asset at the beginning of the earliest period presented will not be the same; hence, it is possible that it might impact retained earnings.

The future adoption of the interpretation is still being assessed by the Group's Management.

PIC Q&A No. 2019-09, *Accounting for Prepaid Rent or Rent Liability Arising from Straight-lining under PAS 17 on Transition to PFRS 16 and the Related Deferred Tax Effects*

The interpretation aims to provide guidance on the following:

1. How a lessee should account for its transition from PAS 17 to PFRS 16 using the modified retrospective approach. Specifically, this aims to address how a lessee should, on transition, account for any existing prepaid rent or rent liability arising from straight-lining of an operating lease under PAS 17, and

2. How to account for the related deferred tax effects on transition from PAS 17 to PFRS 16.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-10, *Accounting for variable payments with rent review*

Some lease contracts provide for market rent review in the middle of the lease term to adjust the lease payments to reflect a fair market rent for the remainder of the lease term. This Q&A provides guidance on how to measure the lease liability when the contract provides for a market rent review.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-11, *Determining the current portion of an amortizing loan/lease liability*

The interpretation aims to provide guidance on how to determine the current portion of an amortizing loan/lease liability for proper classification/presentation between current and non-current in the statement of financial position.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-12, *PFRS 16, Leases – Determining the lease term*

The interpretation provides guidance on how an entity determines the lease term under PFRS 16.

A contract would be considered to exist only when it creates rights and obligations that are enforceable. Therefore, any non-cancellable period or notice period in a lease would meet the definition of a contract and, thus, would be included as part of the lease term. To be part of a contract, any option to extend or terminate the lease that are included in the lease term must also be enforceable.

If optional periods are not enforceable (e.g., if the lessee cannot enforce the extension of the lease without the agreement of the lessor), the lessee does not have the right to use the asset beyond the non-cancellable period. Consequently, by definition, there is no contract beyond the non-cancellable period (plus any notice period) if there are no enforceable rights and obligations existing between lessee and lessor beyond that term.

In assessing the enforceability of a contract, an entity should consider whether the lessor can refuse to agree to a request from the lessee to extend the lease. Accordingly, if the lessee has the right to extend or terminate the lease, there are enforceable rights and obligations beyond the initial non-cancellable period and thus, the parties to the lease would be required to consider those optional periods in their assessment of the lease term. In contrast, a lessor's right to terminate a lease is ignored when determining the lease term because, in that case, the lessee has an unconditional obligation to pay for the right to use the asset for the period of the lease, unless and until the lessor decides to terminate the lease.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, an entity shall consider all relevant facts and circumstances (i.e., including those that are not indicated in the lease contract) that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2019-13, *PFRS 16, Leases – Determining the lease term of leases that are renewable subject to mutual agreement of the lessor and the lessee*

The interpretation provides guidance on how an entity determines the lease term under PFRS 16. This interpretation focuses on lease contracts that are renewable subject to mutual agreement of the parties.

A renewal option is only considered in determining the lease term if it is enforceable. A renewal that is still subject to mutual agreement of the parties is legally unenforceable under Philippine laws until both parties come to an agreement on the terms.

In instances where the lessee has known to be, historically, renewing the lease contract after securing mutual agreement with the lessor to renew the lease contract, the lessee's right to use the underlying asset does not go beyond the one-year period covered by the current contract, as any renewal still has to be agreed on by both parties. A renewal is treated as a new contract.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-01, *Conforming Changes to PIC Q&As – Cycle 2020*

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

PIC Q&As Amended

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
Framework 4.1 and PAS 1.25 – Financial statements prepared on a basis other than going concern	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2016-03: Accounting for common areas and the related subsequent costs by condominium corporations	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2011-03: Accounting for intercompany loans	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2017-08: PFRS 10 – Requirement to prepare consolidated financial statements where an entity disposes of its single investment in a subsidiary, associate or joint venture	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020
PIC Q&A No. 2018-14: PFRS 15 – Accounting for cancellation of real estate sales	References to *The Conceptual Framework for Financial Reporting* have been updated due to the revised framework effective January 1, 2020

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	With the amendment to PFRS 3 on the definition of a business effective January 1, 2020, there is additional guidance in paragraphs B7A-B12D of PFRS 3 in assessing whether acquisition of investment properties is an asset acquisition or business combination (i.e. optional concentration test and assessment of whether an acquired process is substantive)

The effective date of the amendments is included in the affected interpretations.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-02, *Conclusion on PIC QA 2018-12E: On certain materials delivered on site but not yet installed*

The interpretation provides guidance on the treatment of the customized materials in recognizing revenue using a cost-based input method.

For each performance obligation satisfied over time, entity shall recognize the revenue by measuring towards complete satisfaction. In such case, materials that are customized, even if uninstalled, are to be included in the measurement of progress in completing its performance obligations.

However, in the case of uninstalled materials that are not customized, revenue should only be recognized upon installation or use in construction. Revenue cannot be recognized even up to the extent of cost unless it met all the criteria listed in the standards.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-03, *On the accounting of the difference when the percentage of completion is ahead of the buyer's payment*

The interpretation clarifies that recognition of either contract asset or receivable is acceptable in case the revenue recognized based on percentage of completion (POC) is ahead of the buyer's payment as long as this is consistently applied in transactions of the same nature and disclosure requirements of PFRS 15 for contract assets or receivables, as applicable, are complied.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-04(Addendum to PIC Q&A 2018-12-D), *PFRS 15 - Step 3 - Requires and Entity to Determine the Transaction Price for the Contract*

The interpretation clarifies that, in case of mismatch between the POC and schedule of payments, there is no significant financing component if the difference between the promised consideration and the cash selling price of the goods or service arises for the reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-05, PFRS 15 - *Accounting for Cancellation of Real Estate Sales*

The interpretation provided guidance on the accounting for cancellation of real estate sales and the repossession of the property. They provided three(3) approaches as follows:

1. The repossessed property is recognized at its fair value less cost to repossess
2. The repossessed property is recognized at its fair value plus repossession cost
3. Accounted as modification of contract

Either of the above mentioned approaches are acceptable as long as its applied consistently. All approaches above should consider payments to buyers required under the Maceda Law and the write-off of any unamortized portion of cost of obtaining a contract in its determination of gain/loss from repossession.

The future adoption of the interpretations is still being assessed by the Group's Management.

PIC Q&A No. 2020-06, PFRS 16 - *Accounting for payments between and among lessors and lessees*

The interpretation provides for the treatment of payments between and among lessors and lessees as follows:

		Treatments in the financial statements of			
	Transaction	Lessor	Old lessor	New Lessee	Basis
1.	Lessor pays old lessee - lessor intends to renovate the building	i. Recalculate the revised leased payments (net of the one-off amount to be paid) and amortize over the revised lease term. ii. If net payable, recognize as expense unless the amount to be paid qualifies as capitalizable cost under PAS 16 or PAS 40; in which case it is capitalized as part of the carrying amount of the associated property if it meets the definition of construction costs under PAS 16 or PAS 40.	i. Recognize in profit and loss at the date of modification the difference between the proportionate decrease in the right-of-use asset based on the remaining right-of-use asset for the remaining period and remaining lease liability calculated as the present value of the remaining lease payments discounted using the original discount rate of the lease. ii. Recognize the effect of remeasurement of the remaining lease liability as an adjustment to the right-of use-asset by referring to the revised lease payments (net of any amount to be received from the lessor)and using a revised discount rate. iii. Revisit the amortization period of right-of-use asset and any related leasehold improvement following the shortening of the term.		• PFRS 16; par. 87 • PAS 16; pars. 6, 16-17 • PAS 40; par. 21 • PFRS 16; par. 45 • Illustrative example 18 issued by IASB • PAS 16; pars. 56-57
2.	Lessor pays old lessee - new lease with higher quality lessee	Same as Item 1	Same as Item 1		Same as Item 1 PFRS 16 par. 83
3.	Lessor pays new lessee - an incentive to occupy	i. Finance lease: • If made after commencement date, incentive payable is credited with offsetting debit entry to the net investment lease. • If paid at or prior to commencement date, included in the calculation of gain or loss on disposal on finance lease. ii. Operating lease add the initial direct costs to the carrying amount of underlying asset and recognize as expense over the lease term either on a straight-line		i. Record as a deduction to the cost of the right-of-use asset. ii. Lease incentive receivable is also included as reduction in measurement of lease liability. iii. When lessee receives the payment of lease incentive, the amount received is debited with a credit entry to gross up the lease liability.	• PAS 16; par. 68 • PAS 16; par. 71 • PFRS 16; par. 83 • PFRS 16; par. 24

		basis of another systematic basis.			
4.	Lessor pays new lessee - building alterations specific to the lessee with no further value to lessor	Same as Item 3		i. Same as in fact pattern 1C. ii. Capitalize costs incurred by the lessee for alterations to the building as leasehold improvement in accordance with PAS 16 or PAS 40.	• Same as in fact pattern 1C. • PAS 40; par. 21 • PAS 16; pars. 16-17
5.	Old lessee pays lessor to vacate the leased premises early	Recognize as income immediately, unless it was within the original contract and the probability criterion was previously met, in which case, the amount would have already been recognized as income using either a straight-line basis or another systematic basis.	Recognize as expense immediately unless it was within the original contract and the probability criterion was previously met, in which case, the financial impact would have been recognized already as part of the lease liability.		• PAS 16 • PAS 38 • PFRS 16; par. 18
6.	Old lessee pays new lessee to take over the lease		Recognize as an expense immediately.	Recognize as income immediately.	• PAS 16 • PAS 38 • PFRS 16; Appendix A
7.	New lessee pays lessor to secure the right to obtain a lease agreement	i. If finance lease, recognize gain or loss in the profit or loss arising from the derecognition of underlying assets ii. If operating lease, recognize as deferred revenue and amortize over the lease term on a straight-line basis or another systematic basis.		Recognize as part of the cost of the right-of-use asset.	PFRS 16; par. 24 • PAS 16; par. 71 • PFRS 16; par 81
8.	New lessee pays old lessee to buy out the lease agreement		Recognize as again immediately. Any remaining lease liability and right-of-use asset will be derecognized with net amount through P&L.	Account for as initial direct cost included in the measurement of the right-of-use asset.	• PFRS 16; Appendix A • PFRS 16; Example 13 in par. IE5 • PFRS 16; par. 24

The future adoption of the interpretations is still being assessed by the Group's Management.

2. *Seasonality Aspects of the Business*

Like any other company in the construction industry, the operations of the Group are affected by seasonality. Net sales are generally higher in dry months from February to May and lower during the rainy months of June to November. Low sales are also experienced during December due to holidays until early January. Unpredictable weather could also significantly affect sales and profitability compared to previous periods coupled with any unforeseen circumstances like disruptions in productions.

3. *Financial Risk Management Objectives and Policies*

General Risk Management Approach

The Group is exposed to various financial risks, which include the effect of changes in debt structure, equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential and adverse effects on the financial performance of the Group. The Group does not enter into other derivative or financial transactions which are unrelated to its operating business as a risk-averse approach is pursued.

Financial risk management of the Group is governed by policies approved by management. It provides principles for overall risk management, as well as policies covering specific risk areas such as interest rate risk, foreign exchange risk, counterparty risk, and use of derivative financial instruments and investing assets in excess of liquidity requirements.

The Group's principal financial instruments, other than derivatives, consist of cash and cash equivalents and notes payable. The main purpose of these financial instruments is to raise funds for the Group's operations. The Group also has various other financial assets and liabilities such as trade and other receivables, advances to employees, guarantee deposits, restricted cash and trade and other payables which arise directly from operations.

The main risks arising from the Group's financial instruments are market risks (which include foreign currency risk and interest rate risk), credit risk and liquidity risk. The BOD reviews and approves the policies for managing each of these risks and they are summarized below. The Group's accounting policies in relation to financial instruments are set out in Note 4 to the consolidated financial statements.

Market Risks

The Group is exposed to market risks, such as foreign currency and interest rate risks. To manage volatility relating to these exposures, the Group enters into derivative financial instruments, when necessary. The Group's objective is to reduce, where appropriate, fluctuations in earnings and cash flows associated with changes in foreign currency, interest rate and equity price.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has foreign exchange exposures, arising primarily from purchases of goods and services and debt servicing requirements in currencies other than the Philippine Peso that leads to currency translation effects. As of September 30, 2021, there are no revenues denominated in currencies other than the Philippine Peso.

Due to the local nature of the cement business, transaction risk is limited. However, income may primarily be in local currency whereas debt servicing and significant amount of capital expenditures may be in foreign currencies. As a consequence thereof, the Group may enter into derivative contracts whenever necessary, which may be designated either as cash flow hedges or fair value hedges, as appropriate.

As of September 30, 2021, the Group had minimal assets and liabilities exposed to foreign currency risks.

Interest Rate Risk

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates.

The Group is exposed to fluctuations in financing costs and market value movements of its debt portfolio related to changes in market interest rates. The Group's interest rate exposure is mainly addressed through the steering of the fixed/floating ratio of net debt. To manage this mix, the Group may enter into derivative transactions, as appropriate. As at September 30, 2021 and 2020, the Group has minimal exposure to interest rate risk.

Credit Risk

Credit risk is the risk that counterparties may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers.

The Group constantly monitors its credit risk exposures. Counterparties to financial instruments consist of a large number of major financial institutions. The Group does not expect any counterparties to fail in meeting their obligations, given their high credit ratings. In addition, the Group has no significant concentration of credit risk with any single counterparty or group of counterparties.

The maximum and minimum exposure to credit risk is represented by the carrying amount of each financial asset.

The Group trades only with recognized, credit-worthy third parties. It is the Group's policy that all third party customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Group's exposure to bad debts to minimum.

With respect to credit risk arising from the other financial assets of the Group, which consist of due from related parties, advances to employees, AFS financial assets, and guarantee and refundable deposits, the Group's exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet its contractual obligations and commitments. The seasonality of revenue generation exposes the Group to shortage of funds during slack season and may result in payment defaults of financial commitments. The Group monitors this risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial assets and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities, finance leases and purchase contracts. It is responsible for its own cash surpluses and the raising of loans to cover cash deficits, subject to policies and guidelines approved by management and, in certain cases, at the BOD level.

The Group maintains sufficient reserves of cash and cash equivalents, which are short-term in nature, unused credit lines and readily available marketable securities to meet its liquidity requirements at all times. In addition, the strong credit worthiness of the Group allows it to make efficient use of the financial markets for financing purposes. As at September 30, 2021, the Group has unutilized credit facilities of ₱14.2 billion.

Capital Management Policy

The Group considers equity attributable to the equity holders of the Parent Company as its capital. The Group's objectives when managing capital are to secure the Group's ongoing financial needs to continue as a going concern as well as to cater for its growth targets in order to provide returns to shareholders and benefits for other stakeholders and to maintain a cost-efficient and risk-optimized capital structure.

The Group manages the capital structure and makes adjustments to it in light of the changes in economic conditions, its business activities, investment and expansion program and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors capital, among others, on the basis of gearing ratio.

4. *Financial Assets and Liabilities*

Fair Value of Financial Instruments

The estimated fair value of each class of the Group's financial instruments, is equal to their carrying amount as at September 30, 2021 and December 31, 2020. The following methods and assumptions are used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash and Cash Equivalents, Trade and Other Receivables, Short-term Financial Receivable, Loan Payable and Trade and Other Payables. Due to the short-term nature of the transactions, the fair values of these instruments approximate the corresponding carrying values as at end of each reporting period.

AFS Financial Assets. The fair values of publicly traded instruments are determined by reference to quoted market prices as at the end of each reporting period. Investments in unquoted equity securities are carried at cost, net of any impairment in value.

Guarantee Deposits. These are carried at cost, less any impairment in value, which approximates their fair values calculated using the discounted cash flows method.

Fair Value Hierarchy

As at September 30, 2021 and December 31, 2020, the Group's financial instruments measured at fair value include only the quoted equity securities, classified as AFS financial assets (Level 1).

As at September 30, 2021 and December 31, 2020, the Group does not have financial instruments whose fair values are determined using inputs that are not based on observable market data (Level 3). There were no reclassifications made between the different fair value hierarchy levels in 2021 and 2020.

5. *Segment Reporting*

Operating segments are components of the Group that engage in business activities from which they may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group), which operating results are regularly reviewed by the chief operating decision maker* to make decisions about how resources are to be allocated to each of the segments and to assess their performances, and for which discrete financial information is available. Management reassesses on an annual basis whether there have been any change in the operating segments or in the reportable operating segments in accordance with PFRS 8, *Operating Segments.*

For management purposes, the Group is organized into activities based on their products and has two segments, as follows:

- Clinker and Cement segment, which manufactures and sells clinker and cement for domestic customers; and
- Other Construction Materials and services segment, which includes operations from Specialty Products and Aggregates Trading.

Management monitors the operating results of its business segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is based on operating EBITDA and is measured consistently with consolidated net income in the consolidated statement of profit or loss and other comprehensive income. However, the Group's finance income and charges and income taxes are managed on a group basis, and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis similar to transactions with third parties.

Segment revenues, EBITDA, assets and liabilities as at September 30,2021 and 2020 are presented below:

	2021				
	Clinker and cement	**Others**	**Total**	**Adjustments and eliminations**	**Consolidated**
			(In Thousands)		
Revenue:					
External customers	**₱19,337,405**	**₱739,388**	**₱20,076,793**	**₱71,402**	**₱20,148,195**
Inter-segment	**10,007**	**15**	**10,022**	**(10,022)**	**–**
	₱19,347,412	**₱739,403**	**₱20,086,815**	**₱61,380**	**₱20,148,195**
Operating EBITDA	**₱5,312,102**	**₱549,748**	**₱ 5,861,850**	**(₱1,405,410)**	**₱4,456,440**
Segment assets	**30,469,207**	**313,907**	**30,783,114**	**9,932,164**	**40,715,278**
Segment liabilities	**8,689,969**	**551,172**	**9,241,141**	**2,315,708**	**11,556,849**

	2020				
	Clinker and cement	Others	Total	Adjustments and eliminations	Consolidated
			(In Thousands)		
Revenue:					
External customers	₱18,282,438	₱428,990	₱18,711,428	₱68,509	₱18,779,937
Inter-segment	16,607	–	16,607	(16,607)	–
	₱ 18,299,045	₱428,990	₱ 18,728,035	₱ 51,902	₱ 18,779,937
Operating EBITDA	₱ 3,930,449	₱ 232,635	₱ 4,163,084	(₱961,937)	₱ 3,201,147
Segment assets	30,599,257	296,943	30,896,200	11,808,879	42,705,079
Segment liabilities	9,798,076	16,671	9,814,747	4,094,350	13,909,097

* Chief operating decision maker is composed of the Group's Executive Committee

6. *Retained Earnings*

On May 27, 2021, the BOD declared a total of ₱2.77 billion of cash dividends at ₱0.43 per share to its stockholders of record as of June 16, 2021.

Interim Disclosures

As of this update, the Group filed a petition to vacate the Arbitral Award at the Regional Trial Court at Taguig City ("Taguig Court"), which Seasia asked to be dismissed on jurisdictional grounds. Seasia filed a petition for confirmation at the Regional Trial Court at Bataan ("Bataan Court"), which the Group is currently opposing due to several infirmities in the arbitral award and issues against the Bataan Court's jurisdiction resulting from the premature filing of the petition. Both petitions are currently pending resolution and Group's funds at a third party bank are still garnished.

Aside from the disclosure above, the Group is not aware of the following or is not applicable to the Group's interim operations:

1. Unusual items that materially affect the Group's consolidated assets, liabilities, equity, net income or cash flows because of their nature, size or incidents.

2. Changes in estimates of amounts reported in prior financial years that have a material effect in the current period.

3. Issuances and repurchases of equity securities.

4. Material changes in contingent liabilities or contingent assets since the last annual balance sheet date.

5. Existence of material contingencies and other events of transactions that are material to an understanding of the current interim period.

6. Known trends, demands, commitments, events and uncertainties that will result in or likely to decrease its liquidity in any material way. The Group does not anticipate having within the next twelve (12) months any cash flow or liquidity problems nor does it anticipate any default or breach of any of its existing notes, loans, leases, other indebtedness or financing arrangements requiring it to make payments.

7. Events that will trigger direct or contingent material financial obligations to the Group.

8. Material off-balance sheet transactions, arrangements, obligations (direct or contingent), and other relationships of the Group with unconsolidated entities or other persons created during the year.

9. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales/revenues/income from continuing operations.

10. Significant elements of income or loss that did not arise from the Group's continuing operations.

11. Material events subsequent to end of the reporting period that have not been reflected in this report.

12. Material changes in the composition of the Group, including any business combination, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.

13. Any seasonal aspect that had a material effect on the financial condition or results of operation.

Material Changes in Balance Sheet Accounts

44% decrease in Cash and cash equivalents
Mainly due to lower cash generated from operations and higher capital expenditures.

47% decrease in Short-term financial receivables
Decrease was due to partial collection of loans extended to related party (CEMCO).

29% increase in Inventories
Increase was due discontinuation of inventory consignment for imported materials

20% increase in Other current assets
Mostly pertains to the deferral of SPS costs for three quarters.

14% decrease in Right-of-Use Assets
Mainly due to the depreciation expense recognized for the period.

26% decrease in Intangible Assets -net
Due to amortization expenses recognized for the period.

6% decrease in Trade and other payables
Payment of accounts payable on local vendors and importation coupled with full depletion of customer cash advances.

8% increase in Income tax payable
Movement pertains mostly to higher taxable income generated.

14% decrease in Lease liability – current portion
Lower due to the decreasing balance of the leases due to payments made to lessors.

91% increase in deferred tax liabilities - net
Pertains to movement of monthly income and effect of CREATE Bill.

9% increase on Minority interest
Due to net profit recognized for the period.

Material Changes in Income Statement Accounts

7% increase in Net sales
Mainly due to higher volumes sold as the demand is sustained in construction industry as compared to prior year which was affected by strict implementation of community quarantine.

26% increase in Operating expenses
From the absence of the benefit of lower workforce deployment in 2020 (due to pandemic and cost management) and higher third party spending on marketing campaigns and legal costs.

77% decrease in Net financial expenses
Mainly due to favorable movement in financial expenses from related parties and third parties as a result of settlement of loans in the latter part of 2020.

193% increase in Income (Expenses) on non-operating assets
Mainly due to share in the accumulated undistributed income incurred by associate during the year.

50% increase in Provision for income tax
Due to higher taxable income as of the current period.

8% decrease in Noncontrolling interest in net income
Mainly due to lower profit of subsidiary compared to same period last year.

Holcim Philippines, Inc. and Subsidiaries
Schedule of Financial Soundness Indicators

Financial KPI	Definition	For the nine (9) Months Ended September 30 2021	2020
Current/Liquidity ratio Current Ratio	Current Assets / Current Liabilities	77.2%	81.7%
Solvency ratio/Debt-to-equity ratio Gearing	Net Financial Debt (Asset) / Stockholder's Equity	(2.9%)	(4.2%)
Asset to Equity Ratios Asset to Equity Ratio/ Equity Multiplier	Total Assets / Stockholder's Equity	139.6%	148.3%
Interest Rate Coverage Ratio Interest Rate Coverage	Income before Tax / Net Interest	37.5 times	5.8 times
Profitability Ratios			
Return on Assets	Net Income / Average Total Assets	5.6%	2.3%
Return on Equity	Net Income / Average Total Equity	7.8%	3.6%

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HOLCIM PHILIPPINES, INC.

Eliana. Nieto
Chief Financial Officer
Date: November 11, 2021

Exhibit 4

Schedule of Pending Material Legal Proceedings

MATERIAL LEGAL PROCEEDINGS

1. **In Re: Petition for Interim Measure of Protection under Rule 5 of the Special Rules of Court on Alternative Dispute Resolution; Seasia Nectar Port Services, Inc. vs. Holcim Philippines, Inc.; SP Proc Case No. 377-ML; Branch 95 of the Regional Trial Court in Mariveles, Bataan**

   Seasia Nectar Port Services, Inc. ("Seasia") filed a petition for interim measure of protection with the Regional Trial Court in Mariveles, Bataan ("Bataan RTC") against the Company for the alleged purpose of securing any judgment Seasia may secure from the arbitration case it will supposedly file against the Company with the Philippine Dispute Resolution Center, Inc. ("PDRCI") to question the Company's termination of their Port Services Agreement ("PSA") effective 22 September 2018. In an Order dated 22 November 2018, the Bataan RTC granted Seasia's petition and issued a writ of preliminary attachment of the Company's properties. Pursuant to such order, the Company's funds were garnished.

   On 14 December 2018, the Company filed a notice of arbitration with the PDRCI for a declaration that the termination of the Port Services Agreement is valid and the reversal of the Bataan RTC's Order dated 22 November 2018. Pending the constitution of an arbitral panel in the arbitration proceedings docketed as PDRCI Case No. 95-2018, the Company initiated emergency arbitration proceedings to question the interim measure of protection issued by the Bataan RTC and the garnishment of its funds. The emergency arbitrator ruled in the Company's favour and declared that there are no grounds for the issuance of an interim measure of protection.

   The Company asked the Bataan RTC to set aside the interim measure of protection on the basis of the decision of the emergency arbitrator's decision. The Bataan RTC, however, refused to acknowledge the emergency arbitrator's jurisdiction to modify, reverse, or set aside an interim measure of protection issued by a trial court pending the constitution of an arbitration panel and ruled that it is only the arbitration panel who has such authority.

   The Bataan RTC suspended the proceedings and archived the case after the constitution of the arbitration panel and commencement of the proceedings in PDRCI Case No. 95-2018.

   After a final award was issued in the arbitration case, the Company moved for the retrieval of the case records and termination of the proceedings. The Company claimed that the interim measure of protection proceedings had been rendered moot by the final award in the arbitration case and all incidents with in relation to the final award, including the propriety of the interim measure of protection issued by Bataan RTC and the garnishment of the Company's funds, properly pertains to the Regional Trial Court in Taguig City where the Company filed its petition for the vacation of the arbitral award. This motion is pending resolution.

2. **In the Matter of an Arbitration under the 2015 Arbitration Rules of the Philippine Dispute Resolution Center, Inc.; Seasia Nectar Port Services, Inc. vs. Holcim Philippines, Inc.; PDRCI Case No. 95-2018**

On 14 December 2018, the Company filed a notice of arbitration with the PDRCI for a declaration that the termination of the Port Services Agreement is valid and the reversal of the Bataan RTC's Order dated 22 November 2018.

On 14 September 2020, the arbitral tribunal ruled that the Company validly terminated the Port Services Agreement (PSA). However, arbitral tribunal ruled that the PSA did not supersede the Memorandum of Agreement ("MOA"), which the parties executed in 2015 prior to the PSA for the purpose laying down the minimum terms and conditions that should govern the PSA. Therefore, with the MOA being valid and existing but suspended because of the Company's termination of the PSA and the resulting dispute on its validity, the arbitral tribunal ruled that Seasia is entitled to compensation. The Arbitral Tribunal gave Seasia two options: (i) receipt from the Company of the amount of P588,379,260.00, net of VAT, which supposedly represents the minimum revenue of Seasia during the period that the Memorandum of Agreement had been suspended as a result of this dispute ("first option"); or, (ii) two-year extension of the Memorandum of Agreement for a total remaining term of seven (7) years and ten and a half (10 ½) months ("second option"). The Arbitral Tribunal also required the Company to reimburse Seasia the amount of P21,961,151.16, representing the amount Seasia paid PDRCI. Seasia informed the arbitral tribunal and the Company that it prefers the first option and that it expects to receive from the Company its supposed revenues for the unexpired portion of the MOA. Seasia claims that the MOA has a term of 10 years and it is entitled to the rates stipulated in the MOA as Seasia's service fees under the port services agreement that the Company and Seasia will execute regardless of whether the Company and Seasia will actually execute such agreement and the Company actually avails Seasia's services.

3. **In Re: Petition for Confirmation of Domestic Arbitral Award**
Seasia Nectar Port Services, Inc. vs. Holcim Philippines, Inc.
S.P. No. 399
Branch 95, Regional Trial Court in Mariveles, Bataan

Seasia filed a petition at the Regional Trial Court in Mariveles, Bataan ("Bataan RTC") for the confirmation of the decision of the arbitral tribunal. The Company asked the Bataan RTC to dismiss Seasia's petition for being prematurely filed under the rules on alternative dispute resolution issued by the Supreme Court ("Special ADR Rules"). The Company also asked the Bataan RTC to suspend the proceedings on Seasia's petition and defer to the decision of the Regional Trial Court in Taguig City ("Taguig Court"), where the Company's petition to vacate the arbitral award is pending.

On 28 December 2021, RTC-Mariveles issued an Order (i) denying HOLCIM's Motion to Deny Due Course Or In The Alternative, To Consolidate Ad Cautelam dated 22 November 2021; (ii) affirming the jurisdiction of RTC-Mariveles over the case; (iii) allowing the consolidation of the confirmation case before it with the vacation case docketed as S.P. No. 128 pending before the RTC-Taguig; (iv) resolving to write a letter to the Office of the Court Administrator of the Supreme Court for the consolidation of the case with S.P. No. 128 before RTC-Mariveles or in the alternative, to have both cases consolidated in RTC-Taguig; and (v) resolving to refer to the Office of the Court Administrator of the Supreme Court the matter concerning the transfer of the case to RTC-Balanga.

In response, the Company filed Petition For Certiorari with Extremely Urgent Application For The Issuance Of A Temporary Restraining Order And/Or Writ Of Preliminary Injunction of even date, questioning the Order dated 28 December 2021. (See 3.2)

3.1 **Holcim Philippines, Inc. v. Honorable Jose Marie A. Quimboy, in his capacity as Presiding Judge of Branch 94 of the Regional Trial Court of Mariveles, Bataan, Seasia Nectar Port Services, Inc., and the Arbitral Tribunal Composed Of Arbitrators Teodoro Kalaw IV, Eduardo R. Ceniza, and Tranquil S. Salvador III", CA-G.R. SP No. 168483, Court of Appeals – First Division**

The Company timely filed its Petition for Certiorari with an application for the issuance of a temporary restraining order/writ of preliminary injunction, seeking to annul and set aside the Order dated 02 March 2021 rendered by Presiding Judge Quimboy in the confirmation proceedings (see item 3).

The application for a temporary restraining order/writ of preliminary injunction aims to restrain RTC-Mariveles from continuing with its proceedings on the ground that the latter has no jurisdiction over SEASIA's Petition for Confirmation. The case filed by the Company with the Court of Appeals is now pending with the First Division, as a result of the regular raffle of the cases of the appellate court.

With the submission of the Comment and Reply, the Company's prayer for Temporary Restraining Order/Preliminary Injunction is now submitted for resolution before the Court of Appeals.

3.2 **Holcim Philippines, Inc. v. Honorable Philger Noel B. Inovejas, in his capacity as Acting Presiding Judge of Branch 4 of the Regional Trial Court of Mariveles, Bataan, Seasia Nectar Port Services, Inc., the Arbitral Tribunal Composed Of Arbitrators Teodoro Kalaw Iv, Eduardo R. Ceniza, and Tranquil S. Salvador III, and the Office Of The Court Administrator,**
Court of Appeals (awaiting Division and docket number)

The Company filed via registered mail and licensed courier the Petition For Certiorari with Extremely Urgent Application For The Issuance Of A Temporary Restraining Order And/Or Writ Of Preliminary Injunction of even date ("Petition For Certiorari dated 13 January 2022"), questioning the Order dated 28 December 2021 (see item 3).

The application for a temporary restraining order/writ of preliminary injunction aims to restrain the RTC-Mariveles from continuing with its proceedings and its intended course of action of referral to the OCA, and the OCA from ruling upon the consolidation of the confirmation case docketed as S.P. No. 399 pending before the RTC-Mariveles with the vacation case docketed as S.P. No. 128 pending before the RTC-Taguig.

The Company intends to file a Motion for Consolidation of the Petition for Certiorari dated 17 March 2021 docketed as CA-G.R. SP No. 168483 pending before the Court of Appeals – First Division and the Petition For Certiorari dated 13 January 2022 to obviate any accusation, although erroneous, of forum shopping.

4. In Re: Petition to Vacate Domestic Arbitral Award

Holcim Philippines, Inc. vs. Seasia Nectar Port Services, Inc.
S.P. No. 128
Branch 271, Regional Trial Court in Taguig City

The Company filed a petition at the Taguig Court for the vacation of the final award in PDRCI Case No. 95-2018.The Company received SEASIA's Motion Ad Cautelam and Manifestation and Motion Ad Cautelam, praying that: 1) HOLCIM's Petition to Vacate dated 13 October 2020 be dismissed; and 2) HOLCIM's Mr. Ike C. Tan and Atty. Julius Anthony R. Omila be declared liable for direct contempt for willful and deliberate forum shopping.

In response, the Company filed its Counter-Manifestation with Opposition [Re: Manifestation and Motion Ad Cautelam dated 05 January 2022 of even date.

On 28 February 2022, the Court Ordered the parties to submit its respective Memorandum within fifteen days from today. After the lapse of the period, with or without the respective Memorandum, the Court shall resolve the pending incidents.

5. **SEASIA Nectar Port Services, Inc. v. Holcim Philippines, Inc. (Ike S. Tan) and Atty. Julius Anthony R. Omila,**
S.C.A. No. 172-ML,
Regional Trial Court, Branch 94, Mariveles, Bataan [Indirect Contempt Proceedings]

In the Petition for Indirect Contempt, SEASIA prayed: (a) that respondent and. Atty. Omila be adjudged guilty of indirect contempt for alleged misbehavior as an officer of a court in the performance of his official duties or in his official transactions; (b) that respondents HOLCIM (Ike S. Tan -as authorized representative of the Company) and Atty. Omila be adjudged guilty of indirect contempt of court for their supposed: (i) abuse of and unlawful interference with the processes and proceedings of RTC-Mariveles; and (ii) improper conduct tending, directly or indirectly to impede, obstruct or degrade its administration of justice; and (c) for the imposition upon them the penalty of imprisonment or fine, or both.

The Company has filed its Comment last 23 December 2021. SEASIA also recently filed its Request for Admission and Written Interrogatories on Respondent Atty. Julius Anthony R. Omila dated 6 January 2022. Holcim filed on 02 February 2022 its written Objections to the said request.

TAX CASES (Parent)

1. The Company filed on June 24, 2014, a Complaint before the Regional Trial Court of Malolos, Bulacan for the annulment of the *Notice of Assessment of Business Tax on Alleged Discovered Unreported Cement Sales* dated February 24, 2014 issued by the Municipal Treasurer of the Bulacan and for the reversal of the denial of Holcim's *Protest* letter dated April 23, 2014 questioning the Assessment Notice.

   While this action was pending, the Company received on October 26, 2015, an Assessment Notice which assessed the Company for an alleged deficiency local business tax (LBT) in the aggregate amount of P118.2 Million Pesos for the years 2006 to 2015. Unlike the 2014 Assessment Notice which involves the defendants' assessment of LBT against the Company based on the purported undeclared gross sales or receipts for the years <u>2006 to 2012</u>, the 2015 Assessment Notice concerns the Treasurer's assessment of LBT against the against the Company based on the purported undeclared gross sales or receipts for the years <u>2006 to 2015.</u> The Municipal Treasurer did not act on the Company protest within the 60-day period provided in Section 195 of the Local Government Code (LGC), and thus, on March 21, 2016, the Company filed a Complaint/Appeal with the Bulacan RTC which sought the cancellation/nullification of the 2015 Assessment Notice.

   On September 13, 2016, the Company filed a motion to consolidate the first and second case before Branch 19 of the RTC of Bulacan. Motion to consolidate was granted on November 29, 2016.

   The hearing for initial presentation of evidence took place on April 16, May 28 and October 22, 2018. The hearing for the presentation of the Necessary Parties' evidence took place on February 4, 2019. On May 16, 2019, Holcim filed its Memorandum. On May 21, 2019, the court issued an Order stating that the case is now submitted for decision.

   On October 28, 2020, the Company received the Decision issued by the Regional Trial Court Branch 19 Malolos, Bulacan dated July 1, 2020, which declared the 2014 and 2015 Assessment Notices issued by defendant Municipality of Norzagaray, Province of Bulacan against Holcim Phils. Inc. as NULL and VOID and ordered the Municipality of Norzagaray, Bulacan and Filipina D.G. De Mesa, in her capacity as ICO-Municipal Treasurer of Norzagaray, to jointly and severally pay Holcim Phils., Inc. the amount of One Hundred Fifty Thousand Pesos (P150,000.00) as attorney's fees and to pay the cost of litigation.

2. The Company received an Assessment from the Provincial Assessor and a Notice of Real Property Tax (RPT) Delinquencies issued by the Provincial and Municipal Treasurers of Norzagaray, Bulacan on December 18, 2012. The Assessment demanded total of P80.3M related to the RPT of machineries and equipment for the years 2011 and 2012. The Local Board of Assessment Appeals (LBAA) granted the Company's Motion to Post Bond amounting to P80.3M. The Appeal is still pending with the LBAA.

   On April 23, 2013, the Provincial Assessor of Bulacan issued a revised tax declaration on machineries and equipment at the Company's Bulacan Plant. Soon after, on June 2013, the Company received an assessment for the years 2011 to 2012 and a computation of RPT for the first and second quarter of 2013. The assessed additional RPT amounted to P23.8M. On September 13, 2013, the Company received an additional assessment from Municipal Treasurer of Norzagaray, Bulacan for RPT due on its 1998 and Additional Line 2 Properties for the third quarter of 2013. The said assessment also reiterated the previous assessments made for 2011 to second quarter of 2013. The Company's supplemental appeals, covering the first and second quarter RPT Assessment and September 2013 Assessments with the LBAA are pending resolution.

On March 10, 2014, the Company received 71 tax declarations and 71 notices of assessments over its machineries for 2014 from the Municipal Assessor of Norzagaray, Bulacan. Thereafter on May 9, 2014, the Company received a notice of assessment from the Provincial Assessor of Norzagaray, Bulacan. On May 15, 2014, the Company also received an assessment from the Municipal Treasurer of Norzagaray, Bulacan requiring the Company to pay deficiency RPT for the years 2011 to 2013 amounting to P129M. The Company's supplemental appeals with the LBAA for the assessments are pending resolution.

On December 9, 2014, at the suggestion of the Provincial Governor of Bulacan and the Municipal Mayor of Norzagaray, Bulacan, the Company paid under protest RPT amounting to P120M, allocated as follows: (a) land: P8.6M; (b) buildings: P3.3M; (c) machineries: P107.9M. On January 9, 2015, the Company filed three protests with the Provincial Treasurer. Following the Provincial Treasurer's inaction over the Company's protests, the Company filed its appeal with the LBAA, raising the following issues: (a) whether the Company is entitled to an annual depreciation allowance; (b) what is the correct amount that should be credited in the Company's favour on account of its RPT payments from 2011 to the third quarter of 2013; and (c) whether it is correct to assess interest, surcharges and penalties on the RPT that the Company attempted to pay on time but which the local government officials refused to accept with respect to the RPT for the 4th quarter of 2013 to 2014. This appeal is pending resolution.

On March 30, 2015, the Company received an assessment of deficiency RPT for 2015 amounting to P49.3M. The Company paid the assessed amount and filed a protest with the Provincial Treasurer of Bulacan. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On March 31, 2016, the Company received from the Municipal Treasurer of Norzagaray, Bulacan an assessment for deficiency RPT for 2016 amounting to P103M. The Company paid the said amount and filed a protest with the Provincial Treasurer. Thereafter, on May 13, 2016, the Municipal Treasurer issued of Norzagaray, Bulacan issued a revised computation of the Company's liabilities for 2016 amounting to P46.8M. The Company thus filed a supplement to its earlier protest with the Provincial Treasurer. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On March 31, 2016, the Company received from the Municipal Treasurer of Norzagaray, Bulacan an assessment for deficiency RPT for 2017 amounting to P41.1M for its lands, buildings and machineries located in its Bulacan plant. On August 17, 2017, the Company filed an appeal with the LBAA in respect to its payment under protest.

On March 26, 2018, the Company received an assessment computation of RPT due on Holcim's Bulacan Plant for the year 2018 in the amount of P52M. On the same date, the Company paid the RPT due on Holcim's properties, of which payment amounting to P41.1M for the machineries is under protest. The protest with the Provincial Treasurer was filed on April 25, 2018. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On December 17, 2018, the Company received an Assessment Notice for the RPT due on its machineries and equipment located at its cement manufacturing facility in Norzagaray, Bulacan for the year 2019 amounting to P40.5M. On December 28, 2018, Holcim paid under the protest the total amount assessed. The protest with the Provincial Treasurer was filed on January 25, 2019. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On January 25, 2019, the Company received an Assessment Notice which assessed Holcim alleged RPT in respect of its machineries and equipment located at its cement manufacturing facility in Norzagaray, Bulacan for the year 2016. The Company filed the Appeal on the 2016 Assessment Notice on May 23, 2019. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

Holcim has filed a Motion to Resolve requesting the LBAA to act on all of Holcim's pending appeals.

On January 31, 2019, Holcim appeared in a hearing before the LBAA. The LBAA scheduled a hearing on March 28, 2019 for the rendition of its judgment.

On July 6, 2020, Holcim received the Joint Decision issued by LBAA, Bulacan dated March 6, 2020, which denied the Petition and disallowed the claims for tax credit and refund. Holcim was directed to pay the respondent its tax liabilities amounting to P315.6M with directive upon the respondent Treasurer of the Municipality of Norzagaray, Bulacan, to deduct from said amount all prior payments made under protest by Holcim that are covered by the assessment notices or orders of payment at issue.

On July 13, 2020, the LBAA received the Appeal filed by Holcim. LBAA denied petition for refund ordering Holcim to pay 315.6M but applying the P454.7M already paid from 2012 to 2020.The application reduced the refund amount to P139.1M

All refund claims appeal are pending with Central Board of Assessment Appeals (CBAA).

3. HPI had an on-going tax audit for 2016 national taxes. Last December 21, 2020 the BIR has issued a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P2.9B, inclusive of penalties and interest. The Company has filed its protest to PAN last January 5, 2021 and was closed via settled in December 10, 2021 for P50.2M.

4. HPI has an on-going tax audit for 2017 national taxes. As of December 31, 2021, the BIR has not made any determination of deficiency taxes.

5. HPI has an on-going tax audit for 2018 national taxes. As of December 31, 2021, the BIR has not made any determination of deficiency taxes.

6. HPI has an on-going tax audit for 2019 national taxes. As of December 31, 2021, the BIR has not made any determination of deficiency taxes.

7. HPI has an on-going tax audit for 2020 national taxes. As of December 31, 2021, the BIR has not made any determination of deficiency taxes.

TAX CASES (Subsidiaries)

1. CACI received a final assessment notice from the BIR in December 2014 for alleged deficiency income tax and value-added tax covering the taxable year 2011 amounting to P2.5M, inclusive of penalties and interest. CACI has availed of BIR's amnesty program and paid P484K last December 17, 2020. The Company has received the Notice of Issuance Authority to Cancel Assessment (NIATCA) as proof of cancellation of the assessment last January 25, 2021.

2. ECLI has an on-going tax audit for 2017 national taxes. The Company received the Preliminary Assessment Notice (PAN) last February 5, 2021. The BIR issued a Warrant of Garnishment (WOG) last November 3, 2021 to Security Bank for P16.2M. ECLI applied for abatement and compromise for P5.4M last December 19, 2021.

3. MGMC has an on-going tax audit for 2018 national taxes. The Company has closed and settled the case for P86K.

a. HPMC has an on-going tax audit for 2000 capital gains tax. Last November 5, 2020, HPMC received a Final Decision on Disputed Claim for the alleged deficiency capital gains taxes for the amount of P 355.5M. On December 3, 2020, the Company filed its Petition for Review with the Court of Tax Appeals. The Pre-trial hearing was held last June 14, 2021 with succeeding hearings to file the Motions. HPMC is currently awaiting for the resolution of the CTA 2nd Division on the Motions.

4. On August 31, 2010, Holcim filed a Complaint for Interpleader against Iligan, Lugait, and Misor to compel them to litigate among themselves and determine who has taxing jurisdiction over Holcim's Lugait plant. On April 30, 2018, Holcim received the RTC's Decision dated January 22, 2018 dismissing said case. On May 15, 2018, Holcim filed its Motion for Reconsideration of the RTC's Decision. On July 24, 2019, Holcim received the court's Order dated January 9, 2019 denying its Motion for Reconsideration. On August 6, 2019, Holcim filed its Notice of Appeal dated July 30, 2019.

   On December 21, 2020, Holcim received a notice from the Court of Appeals directing it to file its Appellant's Brief within forty-five (45) days from receipt of the notice. Consequently, Holcim's Appellant's Brief was filed on February 3, 2021.

5. HPMC has an on-going tax audit for 2017 national taxes. As of December 31, 2021, the BIR has not made any determination of deficiency taxes.

6. HPMC has an on-going tax audit for 2018 national taxes. The BIR has provided a Notice of Discrepancy (NOD) for reconciliation last November 18, 2021.

7. HPMC has an on-going tax audit for 2019 national taxes. As of December 31, 2021, the BIR has not made any determination of deficiency taxes.

8. HPMC has an on-going tax audit for 2020 national taxes. As of December 31, 2021, the BIR has not made any determination of deficiency taxes.

9. HSSI has an on-going tax audit for 2016 national taxes. As of December 31, 2021, the BIR has not provided a Preliminary Assessment Notice (PAN).

10. HSSI has an on-going tax audit for 2017 national taxes. As of December 31, 2021, the BIR has not made any determination of deficiency taxes.

11. HSSI has an on-going tax audit for 2018 national taxes. As of December 31, 2021, the BIR has not made any determination of deficiency taxes.

Exhibit 5

SEC Form 17-C

Beatrix R. Guevarra <beatrix.guevarra@holcim.com>

Holcim Philippines, Inc._SEC Form 17C_January 22, 2021

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> Fri, Jan 22, 2021 at 1:04 PM
To: beatrix.guevarra@lafargeholcim.com

Dear Customer,

SUCCESSFULLY ACCEPTED
(subject to verification and review of the quality of the attached document)

Thank you.

SEC ICTD.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **15 January 2021**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **26126** 3. BIR Tax Identification No. **000-121-507**

4. **Holcim Philippines, Inc.**
   Exact name of registrant as specified in its charter

5. **Philippines** (SEC Use Only)
   Province, country or other jurisdiction of Incorporation Industry Classification Code:

7. **7th Floor Two World Square, McKinley Hill**
   Fort Bonifacio, Taguig City **1634**
   Address of principal office Postal Code

8. **(632) 85811511**
   Registrant's telephone number, including area code

9. **Not Applicable**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
COMMON	*6,452,099,144*

11. Indicate the item numbers reported herein:

The following are the results of the Special Shareholders meeting held today, January 15, 2021:

1. Election of Mr. Medel Nera as Independent Director
2. Approval of the proposed merger of Holcim Philippines, Inc., Holcim Philippines Manufacturing Corporation, Mabini Grinding Mill Corporation and Bulkcem Philippines, Inc., with Holcim Philippines, Inc. as the surviving entity.
3. Approval of the dissolution of the following subsidiaries of the Corporation: (i) HuBB Stores and Services, Inc.; (ii) Holcim Philippines Business Services Center, Inc; and (iii) Wellbourne International Group Limited

The following are the results of the Special meeting of the Board of Directors of Holcim Philippines, Inc. held today, immediately after the special stockholders' meeting:

1. Approval of the resignation of Dr. Thomas Aquino as Chairman of the Audit Committee;
2. Appointment of Mr. Medel Nera as the Chairman of the Audit Committee
3. Appointment of Mr. Medel Nera as member of the Corporate Governance Committee

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HOLCIM PHILIPPINES, INC.	**January 15, 2021**
Issuer	Date

BEATRIX R. GUEVARRA
Assistant Corporate Secretary

Beatrix R. Guevarra <beatrix.guevarra@holcim.com>

Holcim Philippines, Inc._SEC Form 17-C__18February2020

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> Thu, Feb 18, 2021 at 4:07 PM
To: beatrix.guevarra@lafargeholcim.com

Dear Customer,

SUCCESSFULLY ACCEPTED
(subject to verification and review of the quality of the attached document)

Thank you.

SEC ICTD.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **16 February 2021**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **26126** 3. BIR Tax Identification No. **000-121-507**

4. **Holcim Philippines, Inc.**
   Exact name of registrant as specified in its charter

5. **Philippines** (SEC Use Only)
   Province, country or other jurisdiction of Incorporation Industry Classification Code:

7. **7th Floor Two World Square, McKinley Hill**
   Fort Bonifacio, Taguig City **1634**
   Address of principal office Postal Code

8. **(632) 85811511**
   Registrant's telephone number, including area code

9. **Not Applicable**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
COMMON	*6,452,099,144*

11. Indicate the item numbers reported herein: *Item 9 (Other Events)*

At the regular meeting of the Board of Directors (the "Board) held today, 16 February 2021, the Board:

1. Approved the postponement of the company's Annual Stockholders Meeting (ASM) for 2021, which pursuant to its By-laws should be held on the second Thursday of May of each year to May 27, 2021.

2. Approved the holding of the ASM via Remote Communication.

3. Set the record date of the annual stockholders' meeting on April 27, 2021 and delegated to the Corporate Secretary the responsibility of confirming the agenda, venue, time and other details of the annual stockholders' meeting.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HOLCIM PHILIPPINES, INC.
Issuer

BELINDA E. DUGAN
Corporate Secretary

February 16, 2021
Date

SUBSCRIBED AND SWORN to before me this FEB 17 2021 at Taguig City Philippines, affiant exhibiting to me her Passport No. P7916925A.

Doc No: 157
Page No: 32
Book No: IV
Series of 2021.

PATRICK HENRY D. SALAZAR
NOTARY PUBLIC
ROLL NO. 62515
TAGUIG CITY, PHILIPPINES

PATRICK HENRY D. SALAZAR
Notary Public for Taguig City
Appointment No. 6 valid until 30 June 2021
(Pursuant to Bar Matter no. 3795, dated 1 December 2020)
Floor, One/Neo Building 26th Street corner 3rd Avenue
Crescent Park West, Bonifacio Global City Taguig City
Roll of Attorney No. 62515
PTR No. A-4945190; 01/6/2021; Taguig City

SECRETARY'S CERTIFICATE

I, **BELINDA E. DUGAN**, of legal age, Filipino, CORPORATE SECRETARY of **HOLCIM PHILIPPINES, INC.**, a corporation duly organized and existing under Philippine Law, with principal office address at 7th Floor Two World Square, McKinley Hill, Fort Bonifacio, Taguig City, do hereby certify that at the regular meeting of the Board of Directors held on 16 February 2021, the following resolution was unanimously approved, to wit:

> "**RESOLVED, AS IT IS HEREBY RESOLVED**, to authorize the postponement of the 2021 Annual Stockholders' Meeting (ASM) from second Thursday of May each year pursuant to the By-laws of the Corporation to 27 May 2021 with a record date of 27 April 2021;
>
> **RESOLVED FURTHER**, that Corporation is hereby authorized to conduct the ASM via remote communication in accordance with the relevant regulations of the Securities and Exchange Commission;
>
> **RESOLVED FINALLY**, that the responsibility and authority to finalize the agenda, venue, time and other details of the ASM is hereby delegated to the Corporate Secretary."

IN WITNESS WHEREOF, I hereby affix my signature this FEB 17 2021 in Taguig City, Philippines.

BELINDA E. DUGAN
Corporate Secretary

SUBSCRIBED AND SWORN to before me this FEB 17 2021 at Taguig City Philippines, affiant exhibiting to me her Passport No. P7916925A.

Doc No: 52
Page No: 32
Book No: IV
Series of 2021.

PATRICK HENRY D. SALAZAR
NOTARY PUBLIC
ROLL NO. 62515
TAGUIG CITY, PHILIPPINES

PATRICK HENRY D. SALAZAR
Notary Public for Taguig City
Appointment No. 6 valid until 30 June 2021
(pursuant to Bar Matter no. 3795, dated 1 December 2020)
3rd Floor, One/Neo Building 26th Street corner 3rd Avenue
Crescent Park West, Bonifacio Global City Taguig City
Roll of Attorney No. 62515
PTR No. A-4945190; 01/6/2021; Taguig City

Beatrix R. Guevarra <beatrix.guevarra@holcim.com>

Holcim Philippines, Inc._SEC Form 17C_26February2021

MSRD COVID19 <msrd_covid19@sec.gov.ph> Fri, Feb 26, 2021 at 11:11 PM
To: "Beatrix R. Guevarra" <beatrix.guevarra@lafargeholcim.com>
Cc: "VARELLIE C. VARGAS" <vcvargas@sec.gov.ph>

Dear Sir/Madam,

Acknowledging receipt of your email below with its attachments.

Thank you.

Regards,

MARKETS AND SECURITIES REGULATION DEPARTMENT
PHILIPPINE SECURITIES AND EXCHANGE COMMISSION
[Quoted text hidden]

SEC Form 17C2.22.2021.pdf
1550K

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **22 February 2021**
Date of Report (Date of earliest event reported)

2. SEC Identification Number **26126** 3. BIR Tax Identification No. **000-121-507**

4. **Holcim Philippines, Inc.**
Exact name of registrant as specified in its charter

5. **Philippines** (SEC Use Only)
Province, country or other jurisdiction of Incorporation Industry Classification Code:

7. **7th Floor Two World Square, McKinley Hill**
Fort Bonifacio, Taguig City
Address of principal office

1634
Postal Code

8. **(632) 85811511**
Registrant's telephone number, including area code

9. **Not Applicable**
Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
COMMON	6,452,099,144

11. Indicate the item numbers reported herein: *Item 9 (Other Events)*

At the special meeting of the Board of Directors (the "Board) held today, 22 February 2021, the Board:

1. Accepted the resignation of Mr. John William Stull as member of the Board, President and Chief Executive Officer of Holcim Philippines, Inc. (the "Corporation") effective March 1, 2021 to pursue another role within the LafargeHolcim Group.

2. Elected Mr. Horia-Ciprian Adrian, Romanian, as a member of the Board and appointed him as President and Chief Executive Officer of the Corporation effective March 1, 2021, to serve the unexpired portion of the term of Mr. John William Stull, and to serve as such until his successor shall have been duly elected and qualified.

   Mr. Adrian is formerly the CEO of Romania and Market Head Emerging Europe. He joined LafargeHolcim in 2000 and has successfully held various management roles, including CEO roles for Russia, Eastern Europe & CIS and Middle East. He also managed the LafargeHolcim Group's Business Transformation.

3. Appointed Mr. Albert Leoveras to the position of Vice President, Head of Geocycle, effective June 30, 2021, to replace Mr. Frederic Vallat whose international assignment to the Philippines will end on June 30, 2021.

   Mr. Leoveras has over 20 years of successful leadership experience from various local and global brands in consumer, commodity and non-food specialty products. He joined Holcim Philippines, Inc. in 2016 as Cluster Sales Head and contributed significantly in the business development of the Corporation's North Luzon Sales performance. He is currently the Vice President, Regional Head for Northern and Central Luzon.

4. Approved the Audited Financial Statements of the Corporation for the year ending 31 December 2020;

5. Approved the appointment of Navarro Amper & Co., as the Corporation's external auditor for year 2021, subject to the stockholders' approval at the 2021 Annual Stockholders' Meeting.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HOLCIM PHILIPPINES, INC.
Issuer

BELINDA E. DUGAN
Corporate Secretary

February 22, 2021
Date

CERTIFICATION

I, **BELINDA E. DUGAN**, Corporate Secretary of Holcim Philippines, Inc., with SEC registration number 026126 with principal office at 7th Floor, Two World Square, McKinley Hill, Taguig City, on oath state:

1) That on behalf of Holcim Philippines, Inc. (the "Company"), I have caused this 17C SEC FORM to be prepared;

2) That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;

3) That the Company will comply with the requirements set forth in SEC Notice dated 24 June 2020 for a complete and official submission of reports and/or documents through electronic mail; and

4) That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

IN WITNESS WHEREOF, I have hereunto set my hand this FEB 26 2021 day of ____________________, 2020.

TAGUIG CITY

BELINDA E. DUGAN
Affiant

SUBSCRIBED AND SWORN to before me this _____day of FEB 26 2021 ,20____ affiant exhibiting to me her passport no. P7916925A issued at DFA Manila on 7/12/18 and expiring at 7/11/2028.

NOTARY PUBLIC

PATRICK HENRY D. SALAZAR
Notary Public for Taguig City
Appointment No. 6 valid until 30 June 2021
Pursuant to Bar Matter no. 3795, dated 1 December 2020;
Floor, One/Neo Building 26th Street corner 3rd Avenue
Crescent Park West, Bonifacio Global City Taguig City
Roll of Attorney No. 62515
PTR No. A-4945190; 01/6/2021; Taguig City

PATRICK HENRY D. SALAZAR
NOTARY PUBLIC
ROLL NO. 62515
TAGUIG CITY, PHILIPPINES

Doc No: 188
Page No: 39
Book No: IV
Series of 2021

Beatrix R. Guevarra <beatrix.guevarra@holcim.com>

Holcim Philippines, Inc._SEC Form 17C_March 3, 2021

MSRD COVID19 <msrd_covid19@sec.gov.ph> Thu, Mar 4, 2021 at 3:40 PM
To: "Beatrix R. Guevarra" <beatrix.guevarra@lafargeholcim.com>
Cc: "VARELLIE C. VARGAS" <vcvargas@sec.gov.ph>

Dear Sir/Madam,

Acknowledging receipt of your email below with its attachments.

Thank you.

Regards,

MARKETS AND SECURITIES REGULATION DEPARTMENT
PHILIPPINE SECURITIES AND EXCHANGE COMMISSION
[Quoted text hidden]

17C_March 2, 2021_Fine.pdf
45K

SECURITIES AND EXCHANGE

COMMISSION SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION
CODE AND SRC RULE 17.2(c)
THEREUNDER

1. **02 March 2021**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **26126** 3. BIR Tax Identification No. **000-121-507**

4. **Holcim Philippines, Inc.**
   Exact name of registrant as specified in its charter

5. **Philippines** (SEC Use Only)
   Province, country or other jurisdiction of Incorporation Industry Classification Code:

7. **7th Floor Two World Square, McKinley Hill**
   Fort Bonifacio, Taguig City **1634**
   Address of principal office Postal Code

8. **(632) 85811511**
   Registrant's telephone number, including area code

9. **Not Applicable**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
COMMON	*6,452,099,144*

11. Indicate the item numbers reported herein: *Item 9 (Other Events)*

Please be advised that in connection with the oil spill incident at the Holcim La Union Plant which occurred on July 4, 2020, the Pollution Adjudication Board of the Environmental Management Bureau ordered Holcim Philippines, Inc. to pay a fine of Four Hundred Thousand Pesos (Php 400,000.00) for violation of Republic Act no. 9275 and its Implementing Rules and Regulations.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HOLCIM PHILIPPINES, INC.	**March 2, 2021**
Issuer	Date

BELINDA E. DUGAN
Corporate Secretary

Beatrix R. Guevarra <beatrix.guevarra@holcim.com>

CGFD_Holcim Philippines, Inc._SEC Form 17-C_22 April 2021

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> Wed, Apr 28, 2021 at 1:37 PM
To: beatrix.guevarra@lafargeholcim.com

Dear Customer,

SUCCESSFULLY ACCEPTED
(subject to verification and review of the quality of the attached document)

Thank you.

SEC ICTD.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **22 April 2021**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **26126** 3. BIR Tax Identification No. **000-121-507**

4. **Holcim Philippines, Inc.**
   Exact name of registrant as specified in its charter

5. **Philippines** (SEC Use Only)
   Province, country or other jurisdiction of Incorporation Industry Classification Code:

7. **7th Floor Two World Square, McKinley Hill**
   Fort Bonifacio, Taguig City **1634**
   Address of principal office Postal Code

8. **(632) 85811511**
   Registrant's telephone number, including area code

9. **Not Applicable**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
COMMON	*6,452,099,144*

11. Indicate the item numbers reported herein: *Item 9 (Other Events)*

We wish to inform the public that at the special meeting of the Board of Directors (the "Board) held today, 22 April 2021, the Board approved the temporary suspension of operations of the HPI grinding facility located in Mabini, Batangas effective May 1, 2021 to mitigate the negative impact of Covid-19 pandemic and to address escalating production costs. The temporary suspension of operations of the said facility will result in substantial cost savings ensuring that the Company will only spend where necessary to better protect the interest of our investors and other stakeholders.

The Company has already put in place a plan so that the areas and customers being served by the Mabini Grinding Facility will continue to be served. To the extent possible, employees affected by the temporary suspension will be deployed to other facilities of Holcim Philippines, Inc.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HOLCIM PHILIPPINES, INC.
Issuer

BELINDA E. DUGAN
Corporate Secretary

April 22, 2021
Date

Before me, a notary public in and for Taguig City, personally appeared BELINDA E. DUGAN, exhibiting to me her Philippine Passport No. P7916925A issued on 12 July 2018 at DFA Legazpi and expiring on 11 July 2028, who was identified by me through such competent evidence of identity to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Witness my hand and seal this 28 day of April 2021.

Doc. No. 294;
Page No. 60;
Book No. IV;
Series of 2021.

PATRICK HENRY D. SALAZAR
NOTARY PUBLIC
ROLL NO. 62515
TAGUIG CITY, PHILIPPINES

PATRICK HENRY D. SALAZAR
Notary Public for Taguig City
Appointment No. 6 valid until 30 June 2021
Pursuant to Bar Matter no. 3795, dated 1 December 2020)
4th Floor, One/Neo Building 26th Street corner 3rd Avenue
Crescent Park West, Bonifacio Global City Taguig City
Roll of Attorney No. 62515
PTR No. A-4945190; 01/6/2021; Taguig City

Beatrix R. Guevarra <beatrix.guevarra@holcim.com>

CGFD_Holcim Philippines, Inc._SEC Form 17C_31 May 2021

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> Mon, May 31, 2021 at 4:29 PM
To: beatrix.guevarra@lafargeholcim.com

Dear Customer,

SUCCESSFULLY ACCEPTED
(subject to verification and review of the quality of the attached document)

Thank you.

SEC ICTD.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. May 27, 2021
   Date of Report (Date of earliest event reported)

2. SEC Identification Number 26126 3. BIR Tax Identification No. 000-121-507-000

4. Holcim Philippines, Inc.
   Exact name of issuer as specified in its charter

5. Philippines
   Province, country or other jurisdiction of incorporation

6. (SEC Use Only)
   Industry Classification Code:

7. 7th Floor Two World Square, McKinley Hill, Fort Bonifacio, Taguig City 1634
   Address of principal office Postal Code

8. (632) 85811511
   Issuer's telephone number, including area code

9. Not Applicable
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	6,452,099,144

11. Indicate the item numbers reported herein: Item 9. Other Events

Item 9. Other Events

I. Annual Stockholders Meeting

At the Annual Stockholders Meeting of the Company held on May 27, 2021, via Remote Communication in accordance with the Guidelines, Rules and Regulations of the Securities and Exchange Commission, the stockholders of the Company:

1. Approved the Minutes of the Annual Meeting held on July 22, 2020 and Special Meeting held on January 15, 2021;

2. Approved the Operations Report comprised of the Annual Report and the Audited Financial Statements of the Company as of December 31, 2020;

3. Approved and ratified all acts, contracts, investments and resolutions of the Board of Directors, Board Committees, Corporate Officers and Management since the last annual meeting;

4. Elected the following as members of the Board of Directors for the year 2021-2022 and until their successors shall have been duly elected and qualified;

    a. Tomas I. Alcantara
    b. Martin Kriegner
    c. Horia Ciprian-Adrian
    d. Tan Then Hwee
    e. Leandro Javier (Independent Director)
    f. Thomas Aquino (Independent Director)
    g. Medel Nera (Independent Director)

5. Approved the appointment of Navarro Amper & Co. as External Auditor of the Company for the year 2021.

II. Organizational Meeting of the Board of Directors

At the Organizational Meeting of the Board held immediately after the Annual Stockholders Meeting via video conference in accordance with the Guidelines, Rules and Regulations of the Securities and Exchange Commission, the following officers were elected to serve for the year 2021, until their successors shall have been duly elected and qualified:

Chairman	-	Tomas I. Alcantara
Vice Chairman	-	Martin Kriegner
President & Chief Executive Officer	-	Horia-Ciprian Adrian
Senior Vice-president, Chief Finance Officer/ Treasurer/ Investor Relations Officer	-	Jesusa Natividad L. Rojas
Senior Vice-president, Head of Cement Industrial Performance	-	Eung Rae Kim
Senior Vice-president, Head of Sales	-	William C. Sumalinog
Senior Vice-president, Head of Marketing and Innovation	-	Ramakrishna Maganti
Senior Vice-president, Head of Organization and Human Resources	-	Bernadette Tansingco
Senior Vice-president, Head of Logistics	-	Edwin Villas
Vice President, Head of Procurement	-	Ike Tan
Vice-president, General Counsel, Corporate Secretary and Compliance Officer	-	Belinda Dugan
Vice-president, Head of Health, Safety & Security	-	Richard Cruz
Vice-president, Head of Communications	-	Ann Claire Ramirez
Vice-president, Head of Strategy	-	Zoe Verna Sibala

Vice-president, Plant Manager (Bulacan)	-	Bobby Garza
Vice-president, Plant Manager (Davao)	-	Samuel Manlosa, Jr.
Vice-president, Plant Manager (La Union)	-	Eraño Santos
Vice-president, Plant Manager (Lugait)	-	Arnold Pepino
Vice-president, Head of Luzon Sales	-	Ernesto Paulo Tan
Assistant Corporate Secretary	-	Beatrix R. Guevarra
Data Protection Officer	-	Guia Marie Tomaneng

The Board of Directors confirmed and ratified the appointment of Mr. Albert Leoveras as Vice-president, Head of Geocycle effective July 1, 2021 and appointed Ms. Kathrina A. Mamba as OIC, Vice-president, Chief Audit Executive effective July 1, 2021

In the same meeting, the following members of the Committees of the Board were also elected:

Executive Committee

1) Martin Kriegner	-	Chairman
2) Tomas I. Alcantara	-	Member
3) Tan Then Hwee	-	Member
4) Horia-Ciprian Adrian	-	Member

Audit Committee

1) Medel Nera (Independent)	-	Chairman
2) Leandro Javier (Independent)	-	Member
3) Tan Then Hwee	-	Member

Corporate Governance Committee

1) Martin Kriegner	-	Chairman
2) Tomas I. Alcantara	-	Member
3) Leandro Javier (Independent)	-	Member
4) Thomas Aquino (Independent)	-	Member
5) Medel Nera (Independent)	-	Member

Lead Independent Director – Medel Nera

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Holcim Philippines, Inc.
Issuer

May 27, 2021
Date

Beatrix R. Guevarra
Assistant Corporate Secretary

CERTIFICATION

I, **BELINDA E. DUGAN**, Corporate Secretary of Holcim Philippines, Inc., with SEC registration number 026126 with principal office at 7th Floor, Two World Square, McKinley Hill, Taguig City, on oath state:

1) That on behalf of Holcim Philippines, Inc. (the "Company"), I have caused this 17C SEC FORM to be prepared;

2) That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;

3) That the Company will comply with the requirements set forth in SEC Notice dated 24 June 2020 for a complete and official submission of reports and/or documents through electronic mail; and

4) That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

IN WITNESS WHEREOF, I have hereunto set my hand this MAY 31 2021 day of ____________________, 2020 CITY OF MANILA

BELINDA E. DUGAN
Affiant

SUBSCRIBED AND SWORN to before me this _____ day of MAY 31 2021 __________,20____ affiant exhibiting to me her passport no. P7916925A issued at DFA Legazpi on July 12, 2018.

NOTARY PUBLIC

ATTY. HENRY D. ADASA
NOTARY PUBLIC CITY OF MANILA
UNTIL DECEMBER 31, 2021
NOTARIAL COMMISSION 2020-097 MLA
IBP NO. 141258 - 01/04/2021, PASIG
PTR NO. 9825148 - 01/05/2021 MLA
ROLL NO. 23679, TIN: 172-528-620
(40) MCLE COMPL. NO. VII-0000165
URBAN DECA HOMES MANILA, B-2, UNIT 355

Doc. No. 219
Page No. 45
Book No. VI
Series of 2021

Beatrix R. Guevarra <beatrix.guevarra@holcim.com>

Holcim Philippines, Inc._Amended SEC Form 17C_August 13,2021

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> Fri, Aug 13, 2021 at 10:00 AM
To: beatrix.guevarra@lafargeholcim.com

Dear Customer,

Your report/document has been SUCCESSFULLY ACCEPTED by ICTD.

(Subject to Verification and Review of the Quality of the Attached Document)

Official copy of the submitted document/report with Bar Code Page (Confirmation Receipt) will be made available after 15 days from receipt through the SEC Express System at the SEC website at www.sec.gov.ph

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NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) **Secondary Reports** such as: 17-A, 17-C, 17-L, 17-Q, ICASR, 23-A, 23-B, I-ACGR, FS-P, FS-C, Monthly Reports, Quarterly Reports, Letters, etc... through email at

ictdsubmission@sec.gov.ph

Note: All submissions through this email are no longer required to submit the hard copy thru mail or over- the-counter.

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the **ONLINE SUBMISSION TOOL (OST)** such as:

AFS, GIS, GFFS, SFFS, LCFS, LCIF, FCFS. FCIF ANO, ANHAM. All submissions through OST are no longer required to submit the hard copy thru mail or over- the- counter.

FOR MC28, please email to:

(MC28_S2020@sec.gov.ph)

For your information and guidance.

Thank you and keep safe.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **09 August 2021**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **026126** 3. BIR Tax Identification No. **~~000-121-507~~**

4. **Holcim Philippines, Inc.**

   Exact name of registrant as specified in its charter

5. **Philippines** 6. (SEC Use Only)

   Province, country or other jurisdiction of Incorporation Industry Classification Code:

7. 7th Floor Two World Square, McKinley Hill
   Fort Bonifacio, Taguig City **1634**
   Address of principal office Postal Code

8. **(632) 85811511**
   Registrant's telephone number, including area code

9. **Not Applicable**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
COMMON	*6,452,099,144*

11. Indicate the item numbers reported herein: *Item 9 (Other Events)*

At the special meeting of the Board of Directors (the "Board) held on 09 August 2021, the Board approved the following:

1. Acceptance of resignation of Ms. Jesusa Natividad L. Rojas due to personal reasons as the Corporation's SVP - Chief Finance Officer, Treasurer and Investor Relations Officer effective 10 August 2021;
2. Appointment of Ms. Eliana Nieto Sanchez as the Corporation's SVP, Chief Finance Officer and Investor Relations Officer effective 10 August 2021;
3. Appointment of Mr. Alexander V. Taar as the Corporation's Treasurer effective 10 August 2021;
4. Promotion of Ms, Zoe Verna Sibala from *"VP, Head of Strategy"* to *"SVP, Head of Sustainability"* effective 15 August 2021; and
5. Change of Designation of Mr. Richard Cruz from *"VP, Head of Health, Safety and Security"* to *"VP, Head of Health, Safety, Environment, and Security"* effective 15 August 2021.

MS. ELIANA NIETO SANCHEZ

Prior to her appointment as SVP, CFO and Investor Relations Officer of Holcim Philippines, Inc., Ms. Eliana Nieto Sanchez was the Chief Financial Officer of Holcim Ecuador since May 2016 where she implemented various mechanisms to improve the FCF within the organization. She held several other key positions in Finance within the Holcim Group including Controller Director and Member of the LH Global Diversity Council from March 2012 to April 2016 and Controlling Management from January 2007 to February 2012 of Holcim Mexico S.A de C.V. She first joined the Holcim Group in August 2002 as Binational Coordinator in Reporting of Holcim (Colombia) and Holcim Venezuela.

ALEXANDER V. TAAR

Mr. Alexander V. Taar currently holds the position of Head of Financial Planning, Performance and Analysis of Holcim Philippines, Inc. since October 2019. He will concurrently hold the position of Treasurer for the unexpired term of his predecessor or until his successor shall have been duly elected or qualified. Prior to his appointment in his current position, he was the Head of Process and Control of the Finance Department from February 2013 to June 2017.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HOLCIM PHILIPPINES, INC.	**August 12, 2021**
Issuer	Date

BELINDA E. DUGAN
Corporate Secretary

Certification

I, **BELINDA E. DUGAN** (name), the Corporate Secretary (position) of HOLCIM PHILIPPINES, INC., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number 026126 and with registered principal office address at 7TH Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City on oath state:

1) That I have caused this SEC Form 17C to be prepared on behalf of Holcim Philippines, Inc. (the "Company");

2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;

3) That the Company will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;

4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and

5) That the e-mail account(s) designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand this AUG 12 2021 day of August 2021

BELINDA E. DUGAN
AFFIANT

SUBSCRIBED AND SWORN to before me this ________day of AUG 12 2021, 20____ affiant exhibiting to me her Philippine passport no _P7916925A issued at DFA-Legazpi on , in __________ City, Philippines.

NOTARY PUBLIC

ATTY. JEAMIE Y. SALVATIERRA
Notary Public until December 31, 2021
Appointment No. LP-19-025
IBP Lifetime No. 010781 Roll No. 61151
PTR No. 6111587 01/04/2021 Las Piñas City
MCLE Compliance No. VI-0008399 05/03/2018

Doc. No. 334;
Page No. 69;
Book No. XXV;
Series of 2021.

Beatrix R. Guevarra <beatrix.guevarra@holcim.com>

SEC Form 17C_Holcim Philippines, Inc._24 September 2021

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> Fri, Sep 24, 2021 at 3:49 PM
To: beatrix.guevarra@lafargeholcim.com

Dear Customer,

Your report/document has been SUCCESSFULLY ACCEPTED by ICTD.

(Subject to Verification and Review of the Quality of the Attached Document)

Official copy of the submitted document/report with Bar Code Page (Confirmation Receipt) will be made available after 15 days from receipt through the SEC Express System at the SEC website at www.sec.gov.ph

NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) **Secondary Reports** such as: 17-A, 17-C, 17-L, 17-Q, ICASR, 23-A, 23-B, I-ACGR, PHFS, IHFS, BDFS, SWORN STATEMENTS, Monthly Reports, Quarterly Reports, Letters, etc... through email at

ictdsubmission@sec.gov.ph

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the **ONLINE SUBMISSION TOOL (OST)** such as:

AFS, GIS, GFFS, SFFS, LCFS, LCIF, FCFS. FCIF ANO, ANHAM, FS-PARENT, FS-CONSOLIDATED, OPC_AO

FOR MC28, please email to:

MC28_S2020@sec.gov.ph

For your information and guidance.

Thank you and keep safe.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **24 September 2021**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **026126** 3. BIR Tax Identification No. **000-121-507**

4. **Holcim Philippines, Inc.**

   Exact name of registrant as specified in its charter

5. **Philippines** 6. (SEC Use Only)

   Province, country or other jurisdiction of Incorporation Industry Classification Code:

7. **7th Floor Two World Square, McKinley Hill**
   Fort Bonifacio, Taguig City **1634**
   Address of principal office Postal Code

8. **(632) 85811511**
   Registrant's telephone number, including area code

9. **Not Applicable**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
COMMON	*6,452,099,144*

11. Indicate the item numbers reported herein: *Item 9 (Other Events)*

Please be advised that on September 24, 2021, the Board accepted the resignation of Ms. Bernadette Tansingco as Senior Vice President, Head of Organization and Human Resources and approved the appointment of Ms. Elynor Roque as OIC, SVP, Head of Organization and Human Resources, effective on October 1, 2021.

Ms. Roque is the current Head, Talent Management of Holcim Philippines, Inc. She has solid background as a human resources professional, with 27 years of combined corporate and consulting work in different HR disciplines including organization development, change management, learning and development, executive coaching, and employee and labor relations.

Prior to joining the Company in 2014, she worked as an independent HR/OD consultant for different companies such as RFM Corporation, Nuvoland Philippines, Inc. and Unistar Credit and Finance Corp., among others. She completed the Management Development Program of Asian Institute of Management in 2015 and holds a degree in Bachelor of Science in Business Administration from the University of the Philippines.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HOLCIM PHILIPPINES, INC.	**September 24, 2021**
Issuer	Date

BEATRIX R. GUEVARRA
Assistant Corporate Secretary

Certification

I, **BEATRIX R. GUEVARRA** (name), the Assistant Corporate Secretary (position) of HOLCIM PHILIPPINES, INC., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number 026126 and with registered principal office address at 7TH Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City on oath state:

1) That I have caused this SEC Form 17C to be prepared on behalf of Holcim Philippines, Inc. (the "Company");

2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;

3) That the Company will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;

4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and

5) That the e-mail account(s) designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand this SEP 24 2021 day of September 2021

BEATRIX R. GUEVARRA
AFFIANT

SUBSCRIBED AND SWORN to before me this SEP 24 2021 day of CITY OF MANILA, 20__ affiant exhibiting to me her DRIVER'S LICENSE no ____________ issued by the Land Transportation Office – Pasay City on ________________.

DOC NO. : 274
PAGE NO. : 56
BOOK NO : X
SERIES OF : 2021

NOTARY PUBLIC

ATTY. HENRY D. ADASA
NOTARY PUBLIC CITY OF MANILA
UNTIL DECEMBER 31, 2021
NOTARIAL COMMISSION 2020-037 MLA
IBP NO. [illegible] - 01/04/2021, PASIG
PTR NO. 9526143 - 01/05/2021 MLA
ROLL NO. 29670, TIN: 172-[illegible]-020
(40) MCLE COMPL. NO. VII-0000165
URBAN DECA HOMES MANILA, B-2, UNIT 355

Beatrix R. Guevarra <beatrix.guevarra@holcim.com>

SEC Form 17C_Holcim Philippines, Inc._ October 13, 2021

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> Wed, Oct 13, 2021 at 4:19 PM
To: beatrix.guevarra@lafargeholcim.com

Dear Customer,

Your report/document has been SUCCESSFULLY ACCEPTED by ICTD.
(Subject to Verification and Review of the Quality of the Attached Document)
Official copy of the submitted document/report with Bar Code Page (Confirmation Receipt) will be made available after 15 days of receipt through the SEC Express System at the SEC website at www.sec.gov.ph

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NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) **Secondary Reports** such as: 17-A, 17-C, 17-L, 17-Q, ICASR, 23-A, 23-B, I-ACGR, FS-P, FS-C, Monthly Reports, Quarterly Reports, Letters, etc... through email at

ictdsubmission@sec.gov.ph

Note: All submissions through this email are no longer required to submit the hard copy thru mail or over- the- counter.

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the **ONLINE SUBMISSION TOOL** (OST) such as:
AFS, GIS, GFFS, SFFS, LCFS, LCIF, FCFS. FCIF ANO, ANHAM. All submissions through OST are no longer required to submit the hard copy thru mail or over- the- counter.

FOR MC28, please email to:
(MC28_S2020@sec.gov.ph)

For your information and guidance.

Thank you and keep safe.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **08 October 2021**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **26126** 3. BIR Tax Identification No. **000-121-507**

4. **Holcim Philippines, Inc.**
   Exact name of registrant as specified in its charter

5. **Philippines** (SEC Use Only)
   Province, country or other jurisdiction of Incorporation Industry Classification Code:

7. **7th Floor Two World Square, McKinley Hill**
   Fort Bonifacio, Taguig City **1634**
   Address of principal office Postal Code

8. **(632) 85811511**
   Registrant's telephone number, including area code

9. **Not Applicable**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
COMMON	*6,452,099,144*

11. Indicate the item numbers reported herein: *Item 9 (Other Events)*

We wish to inform the public that in connection with our Company's application for renewal of license to purchase controlled chemicals with the Philippine National Police (PNP), the Company received today, 08 October 2021, a letter from the PNP - Civil Security Group Firearms and Explosives Office ordering the Company to pay a fine of Php 74,000.00 for late renewal of license and late submission of Monthly Consumption Reports.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HOLCIM PHILIPPINES, INC. **October 08, 2021**
Issuer Date

BELINDA E. DUGAN
Corporate Secretary

CERTIFICATION

I, **BELINDA E. DUGAN**, the Corporate Secretary of **HOLCIM PHILIPPINES, INC.**, a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number 026126 and with registered principal office address at 7th Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City on oath state:

1. That I have caused this SEC Form 17C to be prepared on behalf of Holcim Philippines, Inc. (the "Company");
2. That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
3. That the Company will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
4. That I am fully aware that the submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
5. That the e-mail account(s) designated by the Company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the Company in its online submissions to CGFD.

IN WITNESS HEREOF, I have hereunto set my hand this 12th day of October 2021 at Taguig City.

BELINDA E. DUGAN
Affiant

SUBSRIBED AND SWORN to before me this OCT 12 2021 of October 2021, affiant exhibiting to me her Philippine Passport No. P7916925A issued on 12 July 2018 at DFA Legazpi and expiring on 11 July 2028, who was identified by me through such competent evidence of identity to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Witness my hand and seal this OCT 12 2021 day of October 2021.

Doc. No. 84;
Page No. 18;
Book No. V;
Series of 2021.

PATRICK HENRY D SALAZAR
NOTARY PUBLIC
ROLL NO. 62515
TAGUIG CITY, PHILIPPINES

PATRICK HENRY D. SALAZAR
Notary Public for Taguig City
Appointment No. 6 valid until 31 December 2021
(pursuant to Supreme Court En Banc Resolution dated 1 July 2021)
12th Floor, One/Neo Building 26th Street corner 3rd Avenue
Crescent Park West, Bonifacio Global City Taguig City
Roll of Attorney No. 62515
PTR No. A-4945190; 01/6/2021; Taguig City
IBP Lifetime No. 012285; 1/03/2014, Makati
MCLE Compliance No. VI-[illegible]; [illegible]

Beatrix R. Guevarra <beatrix.guevarra@holcim.com>

Holcim Philippines, Inc.._Sec Form17C_08 November 2021

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> Mon, Nov 8, 2021 at 11:10 AM
To: beatrix.guevarra@holcim.com

Your report/document has been SUCCESSFULLY ACCEPTED by ICTD.
(Subject to Verification and Review of the Quality of the Attached Document)
Official copy of the submitted document/report with Bar Code Page (Confirmation Receipt) will be made available after 15 days from receipt through the SEC Express System at the SEC website at www.sec.gov.ph

NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) **Secondary Reports** such as: 17-A, 17-C, 17-L, 17-Q, ICASR, 23-A, 23-B, I-ACGR, Monthly Reports, Quarterly Reports, Letters, IHFS, BDFS,PHFS etc... through email at

ictdsubmission@sec.gov.ph

Note: All submissions through this email are no longer required to submit the hard copy thru mail or over- the- counter.

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the **ONLINE SUBMISSION TOOL (OST)** such as:
AFS, GIS, GFFS, SFFS, LCFS, LCIF, FCFS. FCIF, ANO, ANHAM, FS-PARENT, FS-CONSOLIDATED, OPC_AO, AFS WITH NSPO FORM 1,2,3 AND 4,5,6, AFS WITH NSPO FORM 1,2,3 (FOUNDATIONS)

FOR MC28, please email to:

MC28_S2020@sec.gov.ph

For your information and guidance.

Thank you and keep safe.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. November 4, 2021
   Date of Report (Date of earliest event reported)

2. SEC Identification Number 26126   3. BIR Tax Identification No. 000-121-507-000

4. Holcim Philippines, Inc.
   Exact name of issuer as specified in its charter

5. Philippines
   Province, country or other jurisdiction of incorporation

6. (SEC Use Only)
   Industry Classification Code:

7. 7th Floor Two World Square, McKinley Hill, Fort Bonifacio, Taguig City   1634
   Address of principal office   Postal Code

8. (632) 85811511
   Issuer's telephone number, including area code

9. Not Applicable
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	6,452,099,144

11. Indicate the item numbers reported herein: Item 9. Other Events

Item 9. Other Events

Please be informed that Mr. William C. Sumalinog tendered his resignation as the Company's Senior Vice President, Head of Sales effective 31 December 2021 due to personal reasons.

Holcim Philippines, Inc.	November 4, 2021
Issuer	Date

Belinda E. Dugan
Corporate Secretary

CERTIFICATION

I, **BELINDA E. DUGAN**, Filipino, of legal age, with office address at 8th Floor, Three World Square, McKinley Hill, Taguig City, hereby depose and state under oath that:

1. I am the duly elected and incumbent Corporate Secretary of Holcim Philippines, Inc., with SEC registration number 026126 with principal office at 7th Floor, Two World Square, McKinley Hill, Taguig City;

2. I have caused this SEC FORM 17C to be prepared;

3. I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;

4. I will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;

5. I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

6. That the e-mail accounts designated by the company pursuant to SEC Memorandum Circular No., 28, s. 2020 shall be used by the Company in it online submission to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand this NOV 04 2021 day of TAGUIG CITY, 2021.

BELINDA E. DUGAN
Affiant

SUBSCRIBED AND SWORN to before me this ____ day of NOV 04 2021, 2021 affiant exhibiting to me her government issued ID no. PP# P7916925A issued at DFA LEGAZPI on 7/12/18 and expiring at 7/11/28.

TAGUIG CITY

NOTARY PUBLIC

PATRICK HENRY D. SALAZAR
Notary Public for Taguig City
Appointment No. 6 valid until 31 December 2021
(pursuant to Supreme Court En Banc Resolution dated 1 July 2021)
12th Floor, One/Neo Building 26th Street corner 3rd Avenue
Crescent Park West, Bonifacio Global City Taguig City
Roll of Attorney No. 62515
PTR No. A-4945190; 01/6/2021; Taguig City
IBP Lifetime No. 012285; 1/03/2014; Makati
MCLE Compliance No. VI-0023104; 04/12/2019

PATRICK HENRY D. SALAZAR
NOTARY PUBLIC
ROLL NO. 62515
TAGUIG CITY, PHILIPPINES

Doc No: 148;
Page No: 31;
Book No: V;
Series of 2021.

Beatrix R. Guevarra <beatrix.guevarra@holcim.com>

Holcim Philippines, Inc_Sec Form 17-C_December 15, 2021

Beatrix R. Guevarra <beatrix.guevarra@holcim.com> Wed, Dec 15, 2021 at 11:49 AM
To: ictdsubmission@sec.gov.ph, MSRD COVID19 <msrd_covid19@sec.gov.ph>

Dear ICTD and MSRD,

Submitting herewith SEC Form 17C for Holcim Philippines, Inc. Kindly acknowledge receipt of this e-mail. Thank you!

Best regards,

Beatrix Guevarra
Holcim Philippines, Inc.

SEC 17 C.pdf
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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1 December 10, 2021
Date of Report (Date of earliest event reported)

2. SEC Identification Number 26126 3. BIR Tax Identification No. 000-121-507-000

4. Holcim Philippines, Inc.
Exact name of issuer as specified in its charter

5. Philippines
Province, country or other jurisdiction of incorporation

6. (SEC Use Only)
Industry Classification Code:

7. 7th Floor Two World Square, McKinley Hill, Fort Bonifacio, Taguig City 1634
Address of principal office Postal Code

8. (632) 85811511
Issuer's telephone number, including area code

9. Not Applicable
Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	6,452,099,144

11. Indicate the item numbers reported herein: Item 9. Other Events

Item 9. Other Events

Please be advised that Holcim Philippines Workers Union-Federation of Democratic Labor Organization, the associate union of our plant in Lugait, Misamis Oriental with 90 members, voted yes on Dec. 10, 2021 to go on strike on the grounds of bargaining deadlock.

The Company is exerting efforts to resolve this issue in coordination with the Labor authorities. Should the strike happen, we assure the public our sustained plant operations and continued service to our customers in North Mindanao.

Holcim Philippines, Inc.	10 December 2021
Issuer	Date
Belinda E. Dugan	
Corporate Secretary	

CERTIFICATION

I, **BELINDA E. DUGAN**, Corporate Secretary of Holcim Philippines, Inc. a Corporation duly organized and existing under Philippine law, with principal office address at 7th Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City, on oath state that:

1) On behalf of Holcim Philippines, Inc. (the "Company"), I have caused the attached SEC Form 17C to be prepared;

2) That I read and understood its contents which are true and correct of my own personal knowledge;

3) That Holcim Philippines, Inc. will comply with the requirements set forth in SEC Notice dated 12 May 2021for a complete and official submission of reports and/or documents through electronic mail; and

4) That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

IN WITNESS WHEREOF, I have hereunto set my hand this DEC 15 2021 day of __________, 20____. TAGUIG CITY

BELINDA E. DUGAN
Affiant
PASSPORT # P7916927A
ISSUED ON 12 JULY 2018

SUBSCRIBED AND SWORN to before me this _____day of DEC 15 2021, 20____.

TAGUIG CITY

Doc No: 229;
Page No: 47;
Book No: V;
Series of 2021.

PATRICK HENRY D. SALAZAR
NOTARY PUBLIC
ROLL NO. 62515
TAGUIG CITY, PHILIPPINES

NOTARY PUBLIC

PATRICK HENRY D. SALAZAR
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PTR No. A-4945190; 01/6/2021; Taguig City
IBP Lifetime No. 012285; 1/03/2014; Makati
MCLE Complaince No. VI-0023104; 04/[illegible]

Exhibit 6

Sustainability Report

Annex A: Reporting Template

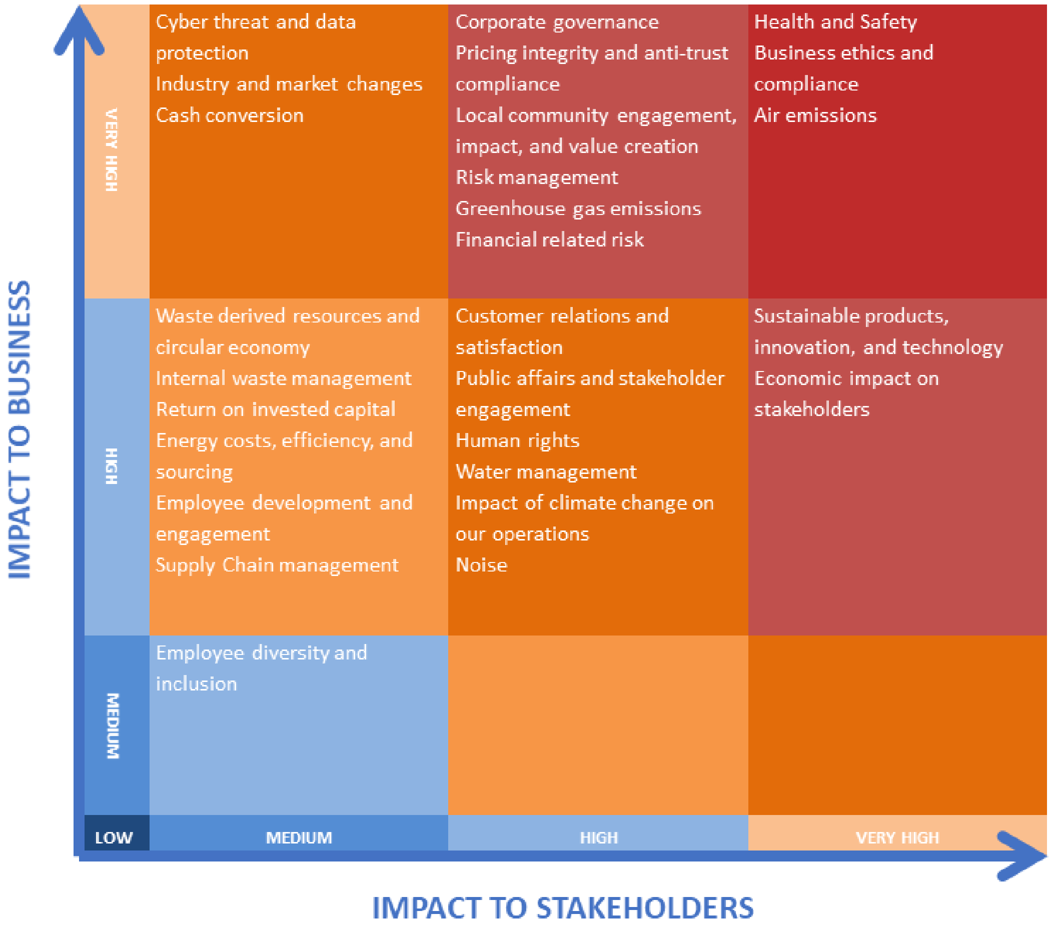
Contextual Information

Company Details	
Name of Organization	Holcim Philippines, Inc. (HPI) and its subsidiaries
Location of Headquarters	7th Floor Two World Square, McKinley Hill, Fort Bonifacio, Taguig City 1634, Metro Manila
Location of Operations	Head Office: Taguig City Cement Plant: 1. Bacnotan, La Union 2. Norzagaray, Bulacan 3. Lugait, Misamis Oriental 4. Bunawan District, Davao City Terminal: 1. Manila Harbour Centre, City of Manila 2. Calaca, Batangas 3. Lapuz District, Iloilo City Grinding Plant: Mabini, Batangas Paper Bag Plant: Calumpit, Bulacan Dry Mix Plant: Bicutan, Parañaque
Report Boundary: Legal entities included in this report	1. Holcim Philippines, Inc. 2. Excel Concrete Logistics, Inc.* 3. Holcim Philippines Manufacturing Corporation 4. Mabini Grinding Mill Corporation 5. Bulkcem Philippines, Inc. 6. Calamba Aggregates, Inc. **Corporate term already expired and company is in the process of winding up its affairs*
Business Model, including primary activities, brands, products, and services	The Company is primarily engaged in the manufacture, sale, and distribution of cement and cementitious materials.
Reporting Period	January 1 to December 31, 2021
Highest-ranking person responsible for this report	Zoe Verna M. Sibala Chief Sustainability Officer

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.[1]
A materiality assessment was conducted in 2020 to aid Holcim Philippines, Inc. in identifying specific economic, environmental, social, and governance (EESG) issues that matter to its business and stakeholders. The results of the assessment are valuable for strategic planning and operational management and may serve as a guide to sustainability reporting and communication strategies in the near future. The survey was used to generate a materiality matrix that reflects the importance of each sustainability topic to Holcim Philippines's business and stakeholders. This would guide the Company's prioritization process and the disclosures in the 2021 Holcim Philippines Annual Report. The resulting materiality matrix is shown in the next page. The materiality assessment consisted of the following steps: 1. **Topic selection (industry-wide)** Material topics specific to the cement industry were consolidated. This includes topics identified by the standards from Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) for the construction materials sector. Material topics published in the annual integrated or sustainability reports of the Holcim Group and industry peers were also included. 2. **Topic selection (Holcim Philippines-specific)** From the consolidated material topics, each department in Holcim Philippines assigned persons of contact and representatives to the consultations on the topics' relevance to the Company. The resulting list of topics was included in the materiality survey. 3. **Materiality survey** An online survey was conducted with the participation of 13 members of Holcim Philippines's management team to better reflect the Company's strategy and priorities. The respondents compose the core team handling the prioritization and decision-making matters for the Company, and hence, are aware of all aspects of operations at Holcim Philippines. Each sustainability topic was assessed based on its impact on business and stakeholders. 4. **Analysis and presentation of results** The ratings received from the 13 members of the Company's management team were averaged for each sustainability topic and were placed in the materiality matrix based on the scores for impact on business and stakeholders. For consistency, the materiality matrix follows the Holcim Group's format.

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



Emerging as highly critical topics are Health and Safety, Business Ethics and Compliance, and Air Emissions. This shows that the Company strongly values conducting business the right way through thorough regulatory compliance; ensuring the safety and welfare of its employees especially with the COVID-19 pandemic; and managing its air emissions to preserve a healthy environment for its people and nearby communities.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Unit
Direct economic value generated (revenue)	26,946 million	PHP
Direct economic value distributed:		
a. Operating costs	3,857 million	PHP
b. Employee wages and benefits	2,010 million	PHP
c. Payments to suppliers	14,757 million	PHP
d. Interest payments to loan providers	135 million	PHP
e. Taxes paid to government	2,716 million	PHP
f. Investments in community (i.e., social initiatives)	20 million	PHP

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Holcim Philippines' building products and solutions bring high performance and efficiency to a diverse range of projects, from small home repairs to massive infrastructure. Its products are essential to the success of the government's Build, Build, Build program and other major private projects. Some of our key projects in 2021 include the Metro Manila Subway Project Phase 1, the Malolos-Clark Railway Project Package 4, and the Davao bypass roads. Holcim is also involved in the Panguil Bay Bridge connecting Tangub, Misamis Occidental and Tubod, Lanao del Norte as well as the Balaoi and Caunayan Wind Power Project in Ilocos Norte. Aside from supplying products for government projects, the Company also faithfully pays taxes to provide vital revenues for the local and national government.	Government, customers, and end users (builders, property developers, and users of buildings, roads, and other infrastructure)	Holcim Philippines aims to drive innovation for the building industry through research and development initiatives leveraging on the global technological expertise provided by the Holcim Group. A key driver in promoting innovation and sustainability is the Company's line of blended cement products. By using waste-derived resources from other industries as alternative mineral components, these products can achieve a lower carbon footprint for projects where they are used, compared with Ordinary Portland Cement (OPC). Holcim Solido, the alternative to OPC for road and building constructions, is estimated to have a 10-20% lower CO_2 footprint than OPC. Holcim Excel, the flagship general purpose cement, has a 20-25% lower CO_2 footprint. The Holcim Wallright masonry cement offers the biggest CO_2 footprint reduction at 35%. In 2021, Holcim Philippines launched ECOPlanet, its most environment-friendly product with more than 30% lower carbon footprint than OPC. All the Company's integrated plants can conduct in-house tests through their cement and concrete testing laboratories. Holcim Philippines also has mobile laboratories capable of providing sampling and testing support to key customers on site. The Company has a technical sales team that provides customer support on how concrete and other building solutions can enhance efficiency and productivity. Holcim Philippines continues to maintain and invest in facilities to improve customer service and comply with the latest safety and local regulations. Alongside these, the Company is fast-tracking digitalization initiatives across the business.

Holcim Philippines provides employment opportunities particularly to the communities where the Company operates. The Company directly contributes to the economic development of the locality through its business taxes. In addition, the Company's corporate citizenship programs – ***Helps*** – include projects for infrastructure, education, health, and skills training that help in the development of the communities where its plants are located.	Employees, host community, and local government	The Company greatly values its employees and provides competitive compensation and benefits. Beyond basic financial incentives, Holcim Philippines has put in place a Total Rewards System (TRS) with core and non-core benefits. The core benefits provide additional earning opportunities which include overtime pay, holiday pay, and rest day pay among the rank-and-file employees. These are given in addition to the statutory 13th month pay, and the Company's 14th month pay to regular employees with a variable performance bonus scheme applied across the organization. Annual paid vacation and sick leaves are provided to allow employees to go on personal leave or recuperate from illness before reporting for work. Employees occupying managerial positions also have a car allowance. The non-core benefits augment the individual and family unit provisions of employees. These include medical health benefits; medical, optical and dental subsidies; insurance coverage; and rice allowance. There are also employee assistance programs such as educational loans, calamity assistance, and bereavement assistance. Holcim Group's sustainability strategy, which was originally "The 2030 Plan," has now progressed along with the new corporate identity to become the leader in innovative and sustainable solutions. This new strategic direction emphasizes how the Company puts more effort into aligning business processes with the Holcim Group's four sustainability pillars, one of which is People. Through the Company's Corporate Social Responsibility (CSR) managers and officers, plants and terminals conduct formal and informal consultations or engagements with their local communities. This is where Holcim Philippines can craft the right programs to address identified needs.

The Company contributes to the growth of suppliers and contracted service providers engaged in its day-to-day operations.	Suppliers and service providers	The Company seeks to engage in long-term and sustainable relationships with suppliers who adhere to the *Holcim Code of Business Conduct for Suppliers* and the Holcim Group's directive on sustainable procurement. Holcim Philippines' goal is to partner with suppliers to deliver value-for-cost procurement for the Group and the customers, and to demonstrate responsible supply chain management. The Company sets guidelines in selecting local or foreign suppliers to ensure a fair, competitive, and transparent negotiation process.
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
Financial risks	Investors and shareholders; direct and indirect employees; customers; and end users	The Company has foreign currency risk exposure arising primarily from purchases of goods and services in currencies other than the Philippine peso and certain foreign currency-denominated loans or instruments. These exposures are usually hedged to reduce the exposure to foreign currency risk. At the time of reporting, no foreign loans or other instruments have been availed. Due to the local nature of the cement business, foreign currency risk is limited. The Company is also exposed to fluctuations in financing costs and market value movements of its debt portfolio related to changes in market interest rate. At the time of reporting, the Company has no exposure to interest rate risk since no loan availments were drawn. Should there be a need in the future, the Company's interest rate exposure may be addressed through the steering of the fixed/floating ratio of net debt. To manage this mix, the Company may enter into derivative transactions. To minimize credit risks, the Company trades only with recognized, credit-worthy third parties. Its policy states that all third parties who wish to trade in credit terms are subject to credit verification and/or must post a collateral coming from a reputable financial institution. In addition, accounts receivable balances are constantly monitored to minimize the Company's exposure to bad debts.

		Finally, the Company maintains sufficient reserves of cash and cash equivalents, which are short term; available/unused credit lines; and readily available marketable securities to always meet its liquidity requirements.
Economic and political risks The Company can be exposed to changes in the political and economic landscapes which impact the continuity of public and private construction activities. Planned spending on infrastructure projects and homebuilding may be diverted to other pressing priorities.	Investors and shareholders; direct and indirect employees; customers; and end users	The Company management has a regular strategic planning exercise to anticipate significant market developments and capture opportunities to expand the business. Management processes are in place to ensure the Company is able to respond to market changes and make the necessary adjustments to sustain the business.
Industrial and supply chain risks The Company is affected by movements in the prices of fuel, coal, and electricity. Global trade dynamics could impact the flow of key commodities like fuel and coal. There is also a risk of physical damage to assets or supply chain failures resulting in business interruption that could affect the cost of production.	Investors and shareholders, direct and indirect employees, customers, and end-users	Management processes are in place to ensure the Company is able to quickly respond to changes in supply chain that could potentially disrupt operations or increase the cost of production. Holcim Philippines works closely with the Holcim Group Trading for the supply of key imported production inputs. Holcim Philippines is implementing across its industrial operations the Holcim Group's Cement Industrial Framework (CIF) to strengthen and standardize its operations and be at par with global standards. Key elements are the development of a robust preventive maintenance program and a learning and development plan to strengthen the technical competence of plant personnel.
Regulatory risks The Company is exposed to the changes in applicable regulations regarding its operations as a building materials manufacturer. It may also face increased scrutiny by governments and tax authorities in response to perceived aggressive tax strategies that might impact the Company's effective tax rate and trigger tax liabilities.	Investors and shareholders; direct and indirect employees; customers; and end users	The Company has in place governance on permits and licenses to ensure compliance across all its operating sites. Appropriate training of key employees and regular engagement with key regulatory agencies are conducted to ensure the Company is updated and informed on regulatory developments. Regular reviews are also done with local management and the Holcim Group to ensure tax compliance. Local policies are also being developed to improve document retention and safekeeping in line with Holcim Group policies.

COVID-19 risks At the onset of the COVID-19 pandemic, significant business activities, including construction, were heavily impacted by mobility restrictions. The extended impact of the COVID-19 pandemic and continued restrictions, though largely localized, may still affect the recovery momentum of the construction sector. While new large, mixed-use building projects slowed down, public infrastructure and individual homebuilding construction continued, helping boost cement demand.	Investors and shareholders; direct and indirect employees; customers; and end users	The Company has organized business resilience teams both at the corporate and site levels to ensure the strict observance of health and safety protocols at all times according to government guidelines. The Company also rolled out a COVID-19 vaccination program in July 2021 for its employees and their dependents to increase employees' defense against the virus. Since the start of the pandemic, and since the government allowed the complete reopening of manufacturing companies, the Company has resumed normal operations and continues to institute strict health protocols in all its sites.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
Holcim Philippines expresses its support to the government as a partner for progress. It continually reviews its operations and assesses the need for further investments to meet growing demand for new building products and solutions.	Investors and shareholders; direct and indirect employees; customers; end users; and government	The Company works and communicates with government stakeholders by actively participating in public consultations and trade policy planning. Holcim Philippines recognizes that tax payments support the programs of the government. Compliance with tax regulations is treated with utmost priority and transparency. Hence, the Company conducts quarterly reporting on taxes paid and reports potential tax risks to the Holcim Group for strict monitoring and transparency.
The Company aims to be the leader in innovative and sustainable building solutions in the country. It is working on this goal by developing innovative products and solutions that respect the environment; enhance efficiency and productivity; and promote a sustainable built environment.	Customers, end users, contractors, government agencies involved in construction and infrastructure development (e.g., Department of Trade and Industry, Department of Public Works and Highways)	Holcim Philippines continues to strengthen its Marketing and Innovation Department. A Product Development Committee oversees the development of sustainable and environment-friendly products. The Company continuously reviews and expands product and service offerings to include related concrete and construction solutions. Holcim Philippines is also taking the lead in educating the market on new construction practices based on international trends.

Climate-related risks and opportunities[2]

Governance Disclose the organization's governance around climate-related risks and opportunities.	
a) Describe the Board's oversight of climate-related risks and opportunities	Holcim Philippines, being a member of the Holcim Group, aligns its climate policies and strategies with the Group. The local Chief Executive Officer (CEO), who is a member of the Board, oversees the Company's sustainability initiatives. He leads the Executive Committee in ensuring that the Company achieves its sustainability commitments aligned with the Group strategy. The local CEO reports to the Board the progress of the Company's sustainability initiatives. Sustainability strategies and targets are cascaded by the Holcim Group to the country Executive Committee. The sustainability initiatives are embedded in the Company's short-, mid-, and long-term development plans and budgets which are translated to performance objectives and local targets. These are monitored at the Group level and are also discussed in the monthly local performance meetings, including regional meetings. In 2021, Holcim Philippines appointed a Chief Sustainability Officer who reports to the CEO and leads the Sustainability team to strengthen and accelerate the sustainability initiatives towards net zero transition.
b) Describe management's role in assessing and managing climate-related risks and opportunities.	The Holcim Group has the overall governance and management of Holcim Philippines, whose Board of Directors and Executive Committee ensure that the Company achieves its sustainability commitments aligned with the overall strategy. The assessment and management of climate-related issues are led by the Holcim Group. The Group, being a global leader in providing building solutions and located across several countries, has a critical role to lead the building industry in the net-zero pathway with climate targets validated by Science Based Targets initiative (SBTi). Holcim Philippines implements the Group-aligned sustainability strategies and initiatives within the local setting. The members of Holcim Philippines' management team ensure the implementation of the sustainability strategy and its integration to the Company's overall planning and operations. The sustainability strategy and commitments are translated into functional objectives, action plans, milestones, and responsibilities across the operations.
Strategy Disclose the actual and potential impacts[3] of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term and its impact on the businesses, strategy, and financial planning	The Philippines cement industry is associated with high CO_2 intensity, and Holcim Philippines is subject to various government regulations. These regulations affect the business activities of the Company. In addition, a perception of the sector as a high emitter could impact its reputation and reduce its attractiveness to investors. Being a signatory of the Paris Agreement, the Philippine government has revised and submitted its Nationally Determined Contribution (NDC) for the reduction of carbon emissions, which includes mitigation options for the cement industry such as transition to low-carbon products. This shift entails an increase in the production of blended cement and

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

[3] For this disclosure, impact refers to the impact of climate-related issues on the company.

	introduction of innovative cement solutions. Although there are already some regulations to use more blended cement in the market, a push from the government is necessary to increase market adoption and lower the overall cost of innovation. Without any incentive to encourage the consumption of low-carbon products, there will be a longer return on investments in sustainable products and solutions and the cement sector's low carbon roadmap might be compromised. Despite the lack of government incentives around the use of low-carbon cement products, Holcim Philippines has taken the lead in expanding its cement product range with the introduction of more blended cement like Solido, AquaX and ECOPlanet that have a lower carbon footprint but demonstrate the same performance as the traditional products. Parallel to this, the Company is exerting efforts to educate the market about using the right product with the right application to help reduce the carbon footprint of the overall built environment. Holcim Philippines also developed its own CO_2 reduction roadmap to reduce its carbon emissions, in alignment with the Holcim Group's net zero commitments. To support the achievement of its roadmap, the Company worked closely with the Climate Change Commission (CCC) in the development of the Philippine Nationally Determined Contribution (NDC) of the industry sector in line with the Paris Agreement to reduce CO_2 emissions. Collaborating with key stakeholders like the CCC helps accelerate the adoption of more sustainable building materials.
b) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2ºC or lower scenario.	The Company aligns its sustainability strategy and targets with the Holcim Group. True to its net zero pathway, the Group is the first global building materials company to sign the Business Ambition for 1.5°C pledge with intermediate targets for 2030 externally validated by the SBTi. As of reporting date, Holcim Philippines is on track to meet its sustainability targets particularly on climate and energy.
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks.	
a) Describe the organization's processes for identifying and assessing climate-related risks.	The Company undergoes an annual Enterprise Risk Management (ERM) process to support strategic decision-making. The ERM is an integrated risk management approach that considers all business objectives, as well as financial and non-financial targets. It takes a forward-looking approach to fit the strategic horizon. All kinds of risks are taken into consideration, regardless of whether these are under the Company's control or not: strategic, climate, sustainability, market, operational, financial, compliance and reputational risks. The assessment of climate-related risks looks at the Company's ability to transition to a low-carbon economy considering a more stringent regulatory framework; changing customer behavior; required investments in low carbon technologies; and stigmatization of the sector, which reduces the Company's attractiveness to investors and potential employees. Action plans are reviewed by Company management quarterly and reported to the Audit Committee. The Company follows the risk management approach of the Holcim Group composed of several stages: **1.** Risk identification and analysis: The management assesses and evaluates the potential impact and likelihood of the key risks which could have a material adverse effect on the current or future

	operation of business. The risk horizon includes long-term strategic risks and short- to medium-term business risks. **2.** Risk mitigation: The management defines the actions and/or controls to mitigate the identified risks. **3.** Monitor and reporting: Regular progress on the action and/or controls are followed up by risk leaders at the country level and reported to the Group. **4.** Verification and remediation: Internal Control Audit reviews the effectiveness of the risk assessment process. The Group Internal Audit also performs an independent assessment of the effectiveness of Internal Control.
b) Describe the organization's processes for managing climate-related risks.	Since cement manufacturing is a resource- and energy-intensive business, which contributes to carbon emissions, the Holcim Group prioritized carbon emissions reduction and use of renewable energy to minimize its environmental impact. The Holcim Group sustainability strategy addresses CO_2 and climate challenges in the construction value chain. It is divided into two sets of actions: short-term and long-term. These actions are cascaded to the country management by the Group. Short-term actions: **i.** improved clinker production technology; **ii.** higher usage of alternative fuels and alternative raw materials; **iii.** optimization of the cement portfolio with lower CO_2 footprint; **iv.** optimization of the concrete product portfolio; and **v.** increased share of solutions and products with favorable CO_2 impact Long-term actions that are focused on innovation and research and development of the following: **i.** carbon capture solutions and alternative clinker; **ii.** decarbonized fuel and energy; **iii.** low-carbon cement; **iv.** low-carbon concrete; **v.** ultimate construction methods to reach low-carbon construction. Holcim Philippines engages proactively and transparently with external stakeholders based on positions that are aligned and consistent with the goals of the Paris Agreement.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Responsibilities and key actions to address specific climate-related risks and opportunities are clearly defined in the Enterprise Risk Management process. It follows the underlying principle that risk management is a line management responsibility.

Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	The Company's sustainability strategy has four pillars: 1. Net zero climate pledge 2. Building a circular economy 3. Nature 4. People **Net zero climate pledge:** Holcim Philippines measures its climate goals in terms of reduced net CO_2 emissions (measured in kilograms of CO_2 per tonne of cementitious material, or kg CO_2/tonne). The Company's emission targets are aligned with and contribute to the Group's target of 475 kg/tonne by 2030. The CO_2 calculation follows the international CO_2 protocol established by the Cement Sustainability Initiative (now Global Cement and Concrete Association). **Building a circular economy:** The Company promotes a circular economy and follows the circular economy's three principles of reduce, reuse and recycle to build more with less and preserve ecosystems. Initiatives on circular economy are measured based on the total volume of waste-derived resources (in tonnes) co-processed in cement kilns as alternative fuel or raw material and used as mineral components (MIC) or additives in cement products. Examples of waste-derived resources are fly ash and slag used as MIC and industrial wastes used as alternative fuel or raw material. **Nature:** The Company is committed to becoming a nature-positive company. Holcim Philippines aims to replenish freshwater in water-risk areas while lowering water intensity across all product lines to preserve water resources across its business. Reduction targets are set on freshwater withdrawal and measured by liters of freshwater per tonne of cementitious product. Progress towards the targets is measured through the Company's water footprint and continuous improvements at production sites such as maximized rainwater harvesting and optimized site processes. Additional target is zero water pollution where water discharged meets Holcim Group water quality standards and Philippine regulations. Freshwater replenishment is also a commitment with a target to be water-positive in water risk areas by implementing water programs beyond Holcim Philippines' fence. **People:** The Company respects human rights and empowers people and communities to build a better future. It creates shared value with the communities where it operates. For this pillar, the total number of people benefitting from community programs and investments (number of beneficiaries) are measured. Additionally, a comprehensive human rights assessment process is in place and conducted regularly.

b)	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	The Holcim Group was the first global building materials company to sign the Business Ambition for 1.5°C pledge with intermediate targets in 2030 approved by the Science-Based Targets initiative (SBTi) in alignment with the net zero pathway. Holcim Philippines aligns its sustainability strategy and targets with the Group. The company has set targets under each pillar: 1. **Net zero climate pledge**: Reduce specific CO_2 emission to 475 kg CO_2/tonne cement by 2030 using the 1990 baseline. 2. **Building a circular economy:** Double the use of waste-derived resources in operations by 2030 using the 2020 baseline. 3. **Nature:** Reduce specific freshwater withdrawal to 131 liters per tonne of cementitious material by 2025 and be water positive by 2030. 4. **People:** Have 1.6 million beneficiaries from 2020 to 2030.

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers		
- Holcim Philippines, Inc.[a]	79	%
- Geocycle Philippines[b]	100	%

[a] *Holcim Philippines Procurement handles the purchase of raw materials and spare parts for equipment and other logistical equipment for Geocycle.*

[b] *Geocycle Procurement handles the purchase for alternative fuel requirements (AFR).*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Holcim Philippines mostly procured from local suppliers in 2021. This provided the Company the following advantages: • shorter lead time; • lower shipping costs; • allowance for lower inventory; and • easier management and communication with suppliers.	Employees, suppliers, and contractors	Holcim Philippines procures general hardware, equipment, consumables, and raw materials from local suppliers subject to quality and compliance parameters. However, there are certain equipment and parts which need to be procured from Original Equipment Manufacturer (OEM) and Original Parts Manufacturer (OPM) for operational safety and efficiency.
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
Procuring from local suppliers also entails risks. Some local suppliers (repair and maintenance services) lack the technical capabilities to perform the job which limits the number of resources available locally. There is also the risk of being	Employees, suppliers and contractors	Holcim Philippines mitigates the risks by dealing only with local authorized distributors as validated by the OEM and OPM. It also reviews suppliers' performance and track record in and out of the Company. Holcim Philippines performs regular

supplied with non-genuine, substandard parts. Some suppliers may not be fully compliant with government laws and regulations as well as the Company's directives and sustainability initiatives.		evaluation of new and current suppliers based on Code of Business Conduct for Suppliers; occupational health and safety; human rights and labor; environmental systems; and legal requirements which are the focus areas of its Sustainable Procurement Initiative (SPI). The Company provides a self-assessment questionnaire to the suppliers and they are assessed by Dun and Bradsheet (D&B), Holcim Philippines' partner in assessing the eligibility of vendors.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
Holcim Philippines recognizes the opportunity to push its sustainability agenda in the Supply Chain. It involves suppliers in sustainability objectives and encourages their management to adopt the same or similar sustainable development standards	Suppliers and contractors	The Company involves suppliers by educating and informing workers of their rights, including contractors in our health and safety related programs, conducting technology transfer, and implementing the Sustainable Procurement Initiative.

Anti-corruption

Training on anti-corruption policies and procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated	100	%
Percentage of business partners (Holcim Philippines, including Geocycle) to whom the organization's anti-corruption policies and procedures have been communicated	52	%
Percentage of directors and management that have received anti-corruption training	100	%
Percentage of employees that have received anti-corruption training	100[b]	%

a *Figure includes the suppliers that are part of Holcim Philippines's 80% top spend in 2021.*

b *All new employees of Holcim Philippines are provided with anti-corruption training upon onboarding. For 2021 Medium and High Exposed employees were enrolled in a mix of online learning modules and Face-to-Face training based on a multiyear training plan.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Holcim Philippines conducts its business with utmost integrity. The Company practices zero tolerance on corruption in private and public relations. Its policies are aligned with global policies on ethical business conduct. Training	Employees, communities, government, suppliers, and service providers	Communication of the policies under the Holcim Code of Business Conduct (CoBC) are done annually and quarterly through messages from the Chief Executive Officer (CEO), infographics, email reminders, posters, and other modes of communication.

and communications have been effective in building a culture of doing business with Integrity.		The Company also has an intranet called Holcim Connect, which is used to communicate and remind employees about Company policies and directives. All new employees receive introductory training on the CoBC which emphasizes the Company's anti-bribery and corruption (ABC) directives. The Company's compliance program determines employees' level of exposure, which guides the development of a training method and training cycle. In 2021, medium- and high-exposure employees were enrolled in both online anti-bribery and corruption learning modules, a timely form of training during this COVID-19 pandemic, along with webinars and face-to-face learning. For the senior management, the annual workshop-format training facilitated by the Regional Compliance Officer was held, fostering greater participation and sharing of experiences in daily operations, as well as best practices which helped the Company navigate related issues. For suppliers, the Company's zero-tolerance on bribery and corruption is clearly stated in its Supplier Code of Business Conduct which is not only communicated to suppliers but is also referred to and included in Supplier and Service Contracts. The Company's contracts with suppliers have a provision on the ABC directive.

What are the risks identified?	Which stakeholders are affected?	Management Approach
Holcim Philippines' zero tolerance for corruption faces challenges in terms of maintaining a culture of compliance, ensuring the consistency of the "Tone from Top," and guaranteeing that good practices are applied by exposed employees in their functions. The lack of training and communications on anti-corruption policies and directives may result in inadequate emphasis on building a culture of business integrity. This problem poses risks of exposure to private and public bribery and corruption incidents which may put the Company at risk of violation of anti-bribery and corruption laws and policies.	Employees, shareholders, communities, government, suppliers, and service providers	Holcim Philippines subscribes to the CoBC in pursuit of building business with integrity. The ABC directive is among the pillars of the CoBC, providing guidance and examples to help the Company and its employees handle challenging situations in daily operations. Aside from the ABC directive, the CoBC includes guidance on anti-retaliation, gifts, hospitalities, entertainment and travel policies, fair competition, and conflict of interest. The Local Compliance Officer (LCO) is primarily responsible for the management, implementation, and oversight of these ethics- and compliance-related policies. In support of the LCO and in line with Holcim Group directives, the General Counsel and the CEO remain the principal officers and drivers responsible for ensuring the "Tone from Top" on business integrity persists.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
The efforts of the Company's legal and compliance team to develop and strengthen the culture of doing right have gained support and collaboration from all functions and partners. This has led to the recognition of Holcim Philippines as a company that upholds business integrity.	Employees, shareholders, communities, government, suppliers, and service providers	The Company explores various means of communicating and teaching to effectively reach all stakeholders. In 2021, ***Holcim EXperts (HEX) Talks*** continued to be a venue for external and internal speakers to raise awareness on sustainability, environment, gender issues, corruption, and business integrity.

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	no.
Number of incidents in which employees were dismissed or disciplined for corruption	0	no.
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	no.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Holcim Philippines has recorded zero incidents of corruption for 2021.	Employees, communities, suppliers, and service providers	All incidents of corruption are treated seriously, and investigations are instituted and completed leading to resolution or administrative action. The Company's Code of Discipline called the *HPHI Way* is the basic guide to conducting administrative investigations whenever corruption allegations involve officers or employees of the Company.
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
A challenge identified in upholding the Company's integrity and compliance is the presence of corruption risks in employee interactions with external parties (e.g., customers, communities, local government, permits and licensing offices, etc.). Checks and balances should be constantly reviewed and reinforced to incorporate any necessary adjustments based on previous incidents.	Employees, shareholders, communities, suppliers, and service providers	The Company has a five-element compliance program for anti-corruption: risk assessment; controls; training and communications; monitoring and follow-up; and organization and governance. The Company initially identifies and assesses its exposure to risks of bribery and which functions are exposed to the identified risks. After this step, existing controls are reviewed, assessed, modified and implemented to address the risks. Holcim Philippines believes that training and communications are vital in ensuring that the policies and directives are understood and provide sufficient guidance on all levels of the organization. Monitoring and persistent follow-up using tools and scheduled reviews are also implemented to check risks and controls and the effectiveness of communications and training. Lastly, governance and a consistent tone from top are among the most important tools used by the Company. Matters and issues on ethics and compliance are discussed during audit and management meetings.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
The Company has a whistleblower platform called the Integrity Line under the Holcim Compliance Reporting directive. Employees	Employees, communities, suppliers, and service providers	The Company does not tolerate retaliation against any employees who reports a concern in good faith. Individuals who take action against a

and third parties may report through the toll-free number: 080038393839 or the online platform https://integrity.holcim.com/ The Integrity Line enables anyone to report concerns in good faith or to ask for further advice on any integrity or compliance issue. This way, stakeholders are encouraged to speak up and report any possible, imminent, or actual violation of policies on the CoBC.		person for raising a concern or participating in an investigation will be subject to disciplinary action, up to and including termination of employment. The identities of anyone who reports through the Integrity Line remain anonymous and protected under the Holcim Compliance Policies. Internal audits at the local and Holcim Group levels are periodically performed to check controls and directives that address the risks and cases of possible corruption practices. In addition, the Holcim Group and the Company also employ external auditors for an annual review to ensure that there are sufficient oversight and control mechanisms in all functional areas of the Company. The Company reviews yearly the internal audit findings and shares best practices to develop more controls and effective training and communications to create a culture of business integrity and doing right.

ENVIRONMENT

Resource Management

Energy consumption within the organization

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	MWh
Energy consumption (gasoline)	0	L
Energy consumption (LPG)	N/A	GJ
Energy consumption (diesel)	3.30 Mio	L
Energy consumption (electricity)	0.62 Mio	MWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	MWh
Energy consumption (gasoline)	0	L
Energy consumption (LPG)	N/A	GJ
Energy consumption (diesel)	2.49 Mio	L
Energy consumption (electricity)	0	kWh

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Holcim Philippines' operations include the production of cement, an energy-intensive process. The Company aims to continuously improve its energy efficiency as it reduces the carbon intensity of its products and lowers production costs. It is critical for the Company to lessen its environmental impact, operate sustainably, and lessen energy costs.	Employees, community, suppliers, and service providers	The Company has energy management processes to ensure high performance in energy consumption and cost, sustainable operations, and continuous improvement. For each integrated cement plant, thermal and electrical energy reference values (RVs) are determined and embedded in the business process. The Energy Management Process is built around the energy RVs and includes the adaptation of RVs for benchmarking, budgeting, and target setting. A gap analysis by process audits and the development of a corresponding action plan, follow-up, and roadmap are done to minimize and ultimately close the gap. Beyond closing the gap versus the RVs, the Company also looks at potential reduction through: • efficient production planning by improving production rates; • alternative raw material use; • equipment modification • process optimization (i.e., grinding aid optimization); and • digitalization. The electrical energy consumption is

		monitored by total and specific electrical energy consumption (SEEC) in kWh/tonne cement while thermal energy consumption is specific thermal energy consumption (STEC) in MJ/tonne clinker. These data are linked to the Company's centralized Technical Information System (TIS) for real-time monitoring.
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
High energy costs and unstable supply of raw materials are risks that may impact operations. Current legislation proposals banning the importation of certain alternative fuels may affect the sustainable supply of alternative fuels.	Employees, community, suppliers, and service providers	To ensure uninterrupted supply of power to sites, the Company secured long-term contracts with power service providers. For coal and fuel, supply is secured annually. Increase in usage of alternative fuels is also implemented through Geocycle to reduce reliance on traditional fuels, reduce cost, and contribute to the Company's CO_2 footprint reduction.

What are the opportunities identified?	Which stakeholders are affected?	Management Approach
Holcim Philippines is committed to explore alternative energy supplies to lessen its environmental impact.	Employees, community, suppliers, and service providers	The use of alternative fuels through Geocycle is strongly being pursued to reduce fossil fuel consumption. The Company has partnered with different companies and municipalities to use their qualified wastes as alternative fuel in operations through co-processing technology. In 2021, the company also signed a 20-year power purchase agreement with Blueleaf Energy, a leading renewable energy company, to deliver solar power to its plants in Bulacan and La Union. Under the agreement, Blueleaf Energy will finance, build, operate, and maintain solar energy facilities in Norzagaray, Bulacan and Bacnotan, La Union with a combined capacity of 29 megawatt peak and an annual generation of more than 50 gigawatt hours that will supply up to 15% of the energy requirements of Holcim Philippines's plants. The solar energy facilities are scheduled to be completed in 2024.

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	1.26 million	cubic meters
Water consumption	1.14 million	cubic meters
Water recycled and reused	0.95 million	cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
While the construction material industry is not water intensive, Holcim Philippines considers water as an essential resource that needs to be sustainably managed.	Employees, community, suppliers, and service providers	To ensure the sustainable management of water resources and reduce the impact of its operations, Holcim Philippines implements the following: **1.** Measurement of operational water footprint **2.** Management of usage through improved plant efficiency by water recycling, rainwater harvesting, and stormwater management. This also includes automation of water systems to optimize water use especially for cooling systems and regular maintenance of water infrastructures to prevent leakages. **3.** Evaluation and mitigation of water-related risks **4.** Identification of opportunities to make positive contributions to water resources and ecosystems. These could be engagement with stakeholders to communicate the use of water resources more effectively and efficiently; provision of water supply infrastructure to communities especially in water-scarce areas; and development of other programs for water replenishment to achieve water-positive targets.
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
The increasing demand for water brought about by population growth, urbanization, and industrialization would lower the supply of water and cause its price to rise.	Employees, community, suppliers, and service providers	Holcim Philippines implements efficiency measures to lessen the withdrawal of fresh water. The cooling of equipment requires the most water in operations. Hence, the plants are equipped with a water recycling system, a close-loop system to reuse cooling water.

		The water withdrawn by the plants are considered as make-up water for spraying and domestic usage in the daily operations. Rainwater harvesting is already practiced in La Union, Bulacan, and Misamis Oriental, and will be implemented across all production sites to lessen freshwater withdrawal. Watershed characterization studies have also been done and georesistivity studies were conducted for groundwater assessment to ensure the sustainable sourcing of water. Replenishment programs in water risk areas shall be implemented to achieve water-positive targets.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
Holcim Philippines shares water resources with nearby communities, pushing it to be more efficient in utilizing water resources for its operations.	Employees, community, suppliers, and service providers	The Company's goal, aligned with Holcim Group's target, is to reduce freshwater withdrawal and consumption by maximizing the use of harvested rainwater. Water systems in the plants are also being improved by increasing the recycling efficiency rate. Water discharged is also compliant with Holcim Philippines' water quality standards and local regulations.

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
a. Renewable	0.63 million	tonnes
b. Non-renewable	9.63 million	tonnes
Percentage of recycled input materials used to manufacture the organization's primary products and services	6.5	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Cement production is a resource-intensive process as it utilizes raw materials such as limestone, silica, and shale to produce clinker, the main ingredient of cement. Mineral components such as pozzolan, limestone, fly ash, and slag are added to the limestone to produce cement. Gypsum is also added as a cement retarder. Holcim Philippines sources most of its raw materials from associate company Holcim Mining and Development Corp. (HMDC) and its subsidiaries. Meanwhile, the mineral components are sourced from various suppliers.	Employees, community, suppliers, and service providers	One of the main drivers in reducing the Company's raw material consumption is reduction of the clinker component of cement by producing more blended cement. This reduces the consumption of natural raw materials like limestone. As an alternative, Holcim Philippines utilizes waste-derived resources or cement additives such as fly ash and granulated blast furnace slag (GBFS) and synthetic phosphogypsum. These materials are by-products of other industrial processing plants. Other alternative raw materials such as contaminated soil or bottom ash are also utilized in producing clinker to lessen the consumption of natural resources.
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
The sustainable supply of raw materials, especially mineral components, remains to be at risk since these are non-renewable resources.	Employees, suppliers, and service providers	Holcim Philippines promotes the production of more blended cement with lower clinker content. Quality control is essential to clinker optimization, so more cement additives are added while improving strength. Alternative raw materials are also utilized for clinker production to reduce usage of natural resources such as limestone. Partnerships are developed with coal power plants, steel manufacturers, and other industries or suppliers to collect their by-products that can be utilized in cement production and support a circular economy.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
Holcim Philippines is shifting towards the use of more waste-derived resources to reduce the extraction of virgin raw materials from quarries.	Employees, suppliers, and service providers	One of the Company's sustainability targets is to increase the use of waste-derived resources in support of a circular economy. The Holcim Group targets to increase the reuse of waste-derived resources by 100 million tonnes in 2030.

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

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A	no.
Habitats protected or restored	N/A	ha
IUCN[4] Red List species and national conservation list species with habitats in areas affected by operations	N/A	no.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
This is not considered as a material topic for Holcim Philippines.		
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
This is not considered as a material topic for Holcim Philippines.		
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
This is not considered as a material topic for Holcim Philippines.		

Environmental Impact Management

Air Emissions

Greenhouse gas (GHG)

Disclosure	Quantity	Units
Direct (Scope 1) GHG emissions	3.86 million	tonnes CO_2e
Energy indirect (Scope 2) GHG emissions	0.46 million	tonnes CO_2e
Emission of ozone-depleting substances (ODS)	N/A	tonnes CO_2e

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The main GHG emission from cement operation is CO_2 due to the calcination process of limestone—the major component of clinker— and the combustion of traditional fossil fuels such as coal in clinker production. Limestone ($CaCO_3$), when heated at extremely high temperatures, is broken down into CaO and CO_2 as emissions.	Employees, community, suppliers, and service providers	Holcim Philippines monitors its GHG emission and has set targets to reduce its CO_2 output as aligned with the Holcim Group's goals. The Company follows the CO_2 reporting protocol of the CO_2 and Energy Accounting and Reporting Standard for the Cement Industry established by the Cement Sustainability Initiative (now called the Global Cement and Concrete Association). The protocol is based on

[4] International Union for Conservation of Nature

		the Intergovernmental Panel on Climate Change Reporting Protocol and the Greenhouse Gas Protocol designed by the World Business Council for Sustainable Development and the World Resource Institute. CO_2 reporting is done monthly, discussed in management meetings, and monitored by the Holcim Group. The Company checks the following parameters for CO_2 emission reporting: **1.** Clinker production volume **2.** Cement production volume **3.** Fuel consumption (traditional fuel) and chemical analysis **4.** Alternative fuel and raw material (AFR) consumption **5.** Clinker factor (clinker content of cement) **6.** Specific thermal energy consumption (STEEC) **7.** Electrical energy consumption (SEEC)
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
The supply of alternative fuels and waste-derived resources like fly ash and slag is still limited.	Employees, community, suppliers, and service providers	The Company continues to explore new sources and industry partners to increase the supply of acceptable alternative fuel materials. The Company also supports regulations allowing the importation of alternative fuels to address local supply limitations.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
<u>Scope 1 Emissions: Low-carbon cement</u> The Department of Trade and Industry's amendment of the Philippine National Standard (PNS) on Portland Cement promotes the use of different types of mineral components such as slag and fly ash from waste-derived resources to produce blended cement for different construction applications. <u>Scope 2 Emissions:</u> Shift to renewable energy and cleaner fuels <u>Scope 3 Emissions:</u> Monitoring system for Scope 3 emission with reduction targets identified and aligned with Holcim Group strategy	Employees, community, suppliers and service providers	Holcim Philippines is working to reduce its CO_2 emission to 475 kg CO_2 per tonne of cementitious product by 2030. This is aligned with the Holcim Group's target as validated by the Science Based Targets initiative (SBTi). To this end, the Company seeks to: **1. Increase clinker substitution.** Clinker is replaced with alternative mineral components such as fly ash or slag, which are waste-derived resources from other industries, to produce blended cement. Blended cement has a lower carbon footprint compared with Ordinary Portland Cement (OPC). Holcim Solido, a blended cement product launched in 2018 is an alternative to OPC for road and building constructions. It is estimated to have a 10-20% lower

		CO_2 footprint than OPC. Holcim Excel, a general-purpose cement, has a 20-25% lower CO_2 footprint than OPC. The Holcim Wallright masonry cement has the lowest CO_2 footprint at 35% lower than OPC. In 2021, Holcim Philippines launched ECOPlanet, its most environment-friendly product with more than 30% lower carbon footprint than OPC. ECOPlanet is a global range of green cement developed by the Holcim Group. The Company offers ECOPlanet as a general purpose blended cement ideal for structural applications that delivers equal to superior construction performance while lowering the carbon footprint of buildings. This product is made available in tonner bags and 40 kg bags in paper and plastic bags. The Philippines is among the first markets where ECOPlanet is available. The company also launched Aqua X in 2021, another blended cement and the first water-repellent cement in the Philippines. It is made with active water-repellent boosters for mortar and concrete, preventing water seepage that may cause water damage. **2. Increase the use of alternative fuel.** Using pre-treated waste and low-carbon fuels is another way to reduce the carbon intensity of cement because they emit less CO_2 than traditional fuels. Other sources, such as biomass are considered carbon neutral. Using these alternative energy sources also diverts waste from landfills, providing a solution to waste management issues and keeping fossil fuels in the ground. **3. Improve energy efficiency and shift to renewable energy sources (Scope 2):**

		Improving energy efficiency through process optimization, digitalization, and replacement of least-energy efficient equipment or technology is being done in the plants. By 2024, 15% of the Company's total electricity will be sourced from renewable energy (solar). **For Scope 3 emissions, the main levers for reduction are:** 1. Increasing offshore transactions as this accounts for the lowest CO_2 emission under network optimization 2. Potential use of biofuel trucks for material transport 3. Continuous route optimization through transport analytics 4. Increasing payload optimization up to acceptable load safety requirements as regulated by law.

Air pollutants

Disclosure	Quantity	Units
Nitrogen Oxides (NO_x)		
Bulacan plant	457	mg/Nm^3
La Union plant	402	
Lugait plant	60.1	
Davao plant	311	
DENR[a] regulatory limit	**1,000**	
Sulphur Oxides (SO_x)		
Bulacan plant	32	mg/Nm^3
La Union plant	18	
Lugait plant	9	
Davao plant	1	
DENR regulatory limit	**1,500**	
Particulate Matter (PM 10)		
Bulacan plant	35	mg/Nm^3
La Union plant	22	
Lugait plant	19	
Davao plant	28	
DENR regulatory limit	**150**	
Carbon Monoxide (CO)		
Bulacan plant	291	mg/Nm^3
La Union plant	163	
Lugait plant	214	
Davao plant	204	

DENR regulatory limit	**500**	
Persistent Organic Pollutants (POPs) • PCB-contaminated transformers	N/A	kg
Volatile Organic Compounds (VOCs)		
Bulacan plant	28	mg/Nm^3
La Union plant	6	
Lugait plant	17	
Davao plant	0.6	
DENR regulatory limit	N/A	
Hazardous Air Pollutants (HAPs)	N/A	kg
Dioxins/Furans		
Bulacan plant	0.002	ng/M^3
La Union plant	0.00007	
Lugait plant	0.003	
Davao plant	0.0003	
DENR regulatory limit	0.1	

[a] *Department of Environment and Natural Resources*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Air emissions are a key environmental impact of cement production. The Company monitors and manages its emissions from point sources and fugitive sources.	Employees, community, suppliers, and service providers	Holcim Philippines' integrated plants are equipped with a Continuous Emission Monitoring System (CEMS) to measure and monitor major atmospheric emissions such as dust or particulate matter, NOx, SOx, VOC, and CO. The Company ensures 100% compliance with local regulatory requirements and Holcim Group standard. Holcim Philippines aims for 100% availability of its CEMS through regular maintenance and annual calibration by a third party. The Company also conducts external checks through: **1.** Multi-partite monitoring with a team composed of representatives from the local government, community, non-government organizations and Department of Environment and Natural Resources (DENR)-Provincial/City Environment and Natural Resources Office which conducts quarterly monitoring and witnesses ambient monitoring. **2.** Annual testhouse measurements at point sources to validate the results from the CEMS. These are conducted by a third-party service provider through stack sampling and testing in all plants. They

		provide information on heavy metal emissions including levels of dioxins and furans during testing **3.** Quarterly ambient air monitoring (area sources) through the engagement of a DENR-accredited third-party laboratory
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
In the long run, there may be stricter regulatory limits for air emissions in the Philippines.	Employees, community, suppliers, and service providers	The Company continuously improves its air emissions management through process optimization and emission control techniques. Its plants are equipped with electrostatic precipitators (EP) and baghouses to manage dust or particulate matter emission. Thermal processes are optimized to effectively manage NOx, VOCs, and CO. Strict quality controls are in place for raw materials, fuels, and alternative fuels and raw materials (AFR) to manage SOx, heavy metals and other emissions.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
The Company is committed to significantly reduce its air emissions below the regulatory limits.	Employees, community, suppliers, and service providers	In 2021, Holcim Philippines spent around PHP 37 million on dust abatement projects and will continue to invest in technology and processes to ensure proper and efficient operation of its air pollution control facilities.

Solid and Hazardous Wastes

Solid waste

Disclosure	Quantity (in thousands)	Units
Total solid waste generated	231	kg
Reusable	-	kg
Recyclable	118	kg
Composted	10.2	kg
Incinerated	-	kg
Co-processed	75.4	kg
Residuals/Landfilled	27.5	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Holcim Philippines follows proper management and disposal of wastes in its sites, in compliance with regulatory requirements.	Employees, community, suppliers, and service providers	It is critical to have an effective solid waste management system to comply with environmental regulations such as Ecological Solid Waste Management Act (Republic Act 9003), and to mitigate environmental impacts and reputational risks. Holcim Philippines follows the waste management hierarchy which prioritizes waste avoidance, reduction, re-processing, and recycling. The materials at the plants that can be recycled are sold to accredited scrap buyers while some of the wastes are composted; the rest are sent to Geocycle for co-processing. These practices are included in the Company's waste management protocols which are strictly being implemented in the sites. In areas without nearby co-processing facilities, the wastes are collected by the municipality or barangay. Almost all integrated cement plants practice zero-landfill and manage their residual wastes internally through co-processing technology.
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
Having employees and contractors who do not follow proper waste management protocols may result in non-compliance with environmental regulations and reputational risks.	Employees, community, suppliers, and service providers	Holcim Philippines conducts proper waste management campaigns utilizing rewards and consequence management to promote positive behavior change among its employees and contractors.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
Geocycle is the Company's sustainable waste management solutions business. Geocycle can receive non-recyclable wastes from industries, agriculture and local government units, which it converts to alternative fuels and treats through co-processing. This helps provide environmentally sound solutions to customers in treating their wastes and contributes to lowering Holcim Philippines' carbon footprint.	Employees, community, suppliers, and service providers	Geocycle uses co-processing technology, a safe and secure method of waste management. Waste materials are pre-processed to transform these to alternative fuel and then co-processed at temperatures ranging from 1,200°C to 2,000°C, with a long residence time. The high temperatures and long residence time ensure the complete treatment of wastes through thermal oxidation. The extreme temperatures and availability of oxygen likewise prevent the formation of dioxins and furans.

		Geocycle partners with industries and local governments and collects their wastes to be used as alternative fuel or alternative raw material. Wastes are managed by diverting these from traditional disposal facilities like landfills, incinerators, and dumpsites. Geocycle has clients in various sectors, including agriculture, chemicals, consumer goods, construction, transportation, petroleum, pharmaceuticals, and food processing, among others. Waste processed by Geocycle ranges from hazardous chemicals like paint and oil, rubber waste, agricultural by-products and other materials that can no longer be reused or recycled. Geocycle adheres to strict standards in qualifying wastes for pre-processing and using alternative fuels and alternative raw materials for co-processing. It complies with health, environmental, safety and product quality regulations and Company standards.

Hazardous waste

Disclosure	**Quantity (in thousands)**	**Units**
Total weight of hazardous waste generated		
Used oil	81.3	L
Busted bulbs	2.23	pcs
Batteries	33.0	pcs
Empty ink cartridges	3.05	kg
Electrical and electronic equipment	0.33	kg
Empty containers (i.e. paint, chemicals)	4.51	kg
Paint/oil-contaminated materials	3.96	kg
Total weight of hazardous waste transported	80.5	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Holcim Philippines practices proper management and disposal of hazardous wastes in its sites, in compliance with regulatory requirements.	Employees, community, suppliers, and service providers	The plants are equipped with proper hazardous storages according to the requirements of Hazardous Wastes Act (Republic Act 6969). Plants mostly generate used oil, and grease- and oil-contaminated materials. These materials are co-processed through Geocycle. The used oil generated is reduced through the proper maintenance of equipment. Other wastes generated such as batteries, busted bulbs, empty ink cartridges, and electronic equipment that cannot be co-processed are treated and disposed through DENR-accredited third-party treatment, storage, and disposal (TSD) facilities.
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
Improper management of hazardous wastes could lead to notice of violations, fines, and reputational risks.	Employees, community, suppliers, and service providers	Handling and storage of waste are continuously being improved. Internally generated hazardous wastes such as used oil are co-processed in the Company's own cement kilns.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
Holcim Philippines aims to keep improving its management of hazardous waste.	Employees, community, suppliers, and service providers	Annual internal and external audits are done to monitor compliance.
Holcim Philippines contributes to providing solutions in properly managing and disposing hazardous waste from external sources.	Employees, community, suppliers, and service providers	The integrated cement plants located in La Union, Bulacan, Misamis Oriental and Davao have valid permits such as TSD permit for its co-processing facilities.

Effluents

Disclosure	Quantity	Units
Total volume of water discharged	0.24 million	cubic meters
Percent of wastewater recycled	-	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company produces minimal effluent, and facilities are already in place to manage the effluent in compliance with the Clean Water	Employees, community, suppliers, and service providers	The plants generally have no wastewater discharge from operations. However, water run-off such as rainwater may be contaminated with

Act (Republic Act 9275).		material such as cement spillages contributing to high total suspended solids (TSS) and/or pH levels. Plants are equipped with pollution control facilities such as siltation ponds to manage effluent and surface run-off. The root causes of spillages are also addressed, and regular housekeeping is also being done. Treatment facilities for sewage, grease traps for removal of grease/oil, and oil-water separators for oil storage run-off, and septic tanks are installed at the sites. The main industrial wastewater parameters being monitored in cement plants are temperature, pH and TSS, according to DAO 2016-08.
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
There is a risk of spill or leakage in the sites.	Employees, community, suppliers, and service providers	The sites have a site spill pollution program where all sources of spill or leakages are identified, and containment systems are put in place. There is proper storage for material and oil, with secondary containment. Regular audits are conducted to guide improvements. Pollution control facilities are in place, including a siltation pond and oil-water separator as a containment system in case of spills. Proper work instructions to prevent spills are also established, including an emergency spill plan.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
The Company utilizes rainwater to minimize effluents and water withdrawals from freshwater and groundwater sources.	Employees, community, suppliers and service providers	Holcim Philippines targets to increase consumption of harvested rainwater and raise the water recycling efficiency rate in its operations.

Environmental Compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	PHP
Number of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	no.
Number of cases resolved through dispute resolution mechanism	0	no.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Holcim Philippines' environmental policy, aligned with the Holcim Group Global Framework, aims to go beyond compliance with relevant laws and regulations. The Company is committed to improving the affected environments in which it operates to create sustainable sites for our stakeholders.	Employees, community, suppliers, and service providers	Environmental compliance is mandatory for the company to manage and reduce its environmental impact and associated reputational risks. Environmental key performance indicators are set in each plant to monitor and improve environmental performance, and ensure full compliance. The plant manager in each site, as the managing head, is responsible for ensuring that the site is compliant with environmental regulations. A designated pollution control officer in each plant reports to the managing head and works closely with the sustainability manager to monitor environmental performance and implement improvement actions. The sustainability manager cascades and ensures implementation of the strategies and directives from the Group in all the sites. Active stakeholder engagements with environmental regulatory bodies are also maintained to anticipate changes in policies that may affect operations.
What are the risks identified?	**Which stakeholders are affected?**	**Management Approach**
Non-compliance with environmental laws and regulations can lead to environmental fines and negatively impact reputation.	Employees, community, suppliers, and service providers	Regular site inspections and audits are conducted to ensure compliance. Mandatory environmental training up to the supervisory level is conducted to cascade regulatory requirements and train supervisors in environmental impact assessment. Environmental incidents are reported in a centralized online system to monitor implementation of corrective actions. Management monitoring of permits and licenses is in place and led by the Legal and Compliance Department. Status is reported regularly in management meetings.
What are the opportunities identified?	**Which stakeholders are affected?**	**Management Approach**
The Company's integrated plants and cement grinding plants are ISO 14001:2015 (Environmental Management System) certified, ensuring	Employees, community, suppliers, and service	Holcim Philippines' commitments to environmental management are to: • ensure compliance with

proper management of its environmental risks and impacts. Holcim Philippines conducts business consistent with sustainable development principles and aims to continuously improve environmental performance to protect and make positive contributions to nature and society.	providers	environmental laws, local regulations, and standards applicable to our products and operations; ● assess and measure its environmental impact and continuously improve to promote best practices in the cement industry; ● ensure that all environmental impacts and risks are effectively managed and mitigated; ● optimize the use of resources through reusing, recovering and/or recycling waste materials in own its production process; ● engage proactively with stakeholders and cooperate proactively with legislators and regulators. Going beyond regulatory compliance, the Company voluntarily reports its CO_2 emissions and has set ambitious targets to reduce emissions. In terms of other air emissions, Holcim Philippines has set internal targets even below the regulatory limit. For example, for dust or particulate matter, the Company has set 50 mg/Nm^3 as a benchmark versus the 150 mg/Nm^3 local standard.

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees[5]	1,161	no.
a. Number of female employees	230	no.
b. Number of male employees	931	no.
Attrition rate[6]	3.08	%
Ratio of lowest paid employee against minimum wage	1.48 : 1	Ratio
Total number of workers through contractors	2,578	no.
a. Number of female workers	159	no.
b. Number of male workers	2,419	no.

Employee benefits

List of Benefits	Y/N	% of Female employees who availed for the year	% of Male employees who availed for the year
SSS	Y	18.26%	11.60%
PhilHealth	Y	6.09%	6.55%
Pag-IBIG	Y	13.91%	17.19%
Parental leaves	N		
- Paternal leave	Y	0.00%	3.54%
- Maternity leave	Y	5.65%	0.00%
- Solo parent leave	Y	3.48%	0.11%
Vacation leaves	Y	100.43%	98.93%
Sick leaves	Y	47.83%	43.72%
Medical benefits (aside from PhilHealth)	Y	89.57%	87.54%
Housing assistance (aside from Pag-IBIG)	Y	3.91%	4.19%
Retirement fund (aside from SSS)	Y	14.78%	8.81%
Further education support	Y	6.09%	11.39%

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

[6] Attrition rate = (number of new hires – number of turnover)/(average of total number of employees of previous year and total number of employees of current year)

Company stock options	N		
Telecommuting	Y	64.78%	12.03%
Flexible working hours	N		

[a] *Figure includes employees who have resigned in 2021.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Management Approach**
Holcim Philippines' compensation and benefits policies, along with its employee engagement and communication programs affect employees' productivity, performance, retention, and attrition.	The Company's policy enables it to provide a competitive compensation package to attract and retain high-performing employees, which reflects its performance-focused culture. Aside from this, the Company has an Employee Relations policy that aims to maintain a healthy relationship towards high productivity, safe environment, industrial peace, high level of retention, and positive Company reputation. Holcim Philippines implements and sustains employee retention programs such as employee engagement and communication programs; rewards and recognition; learning and development; and succession planning. Holcim Philippines' Total Rewards System is performance-based, competitive, and sustainable, driving employees to deliver superior performance.
What are the risks identified?	**Management Approach**
As with other companies, Holcim Philippines has identified the risk of employee separations which could lead to the disruption of business operations. The common causes of employee separation are retirement, resignation, death, and end of contract. The main reasons for resignations in 2021 were better opportunities outside the organization; the option to start their own business; and migration to other countries. Others decided to take a break because of the pandemic's impact on their mental and physical condition. The protocols being implemented by different local governments have resulted in movement limitations for a number of employees. Issues with superiors and colleagues were also a factor for a few. Because of stricter government regulations to curb the pandemic, onsite operations were aligned with government directions on health and safety protocols.	Talent review, succession planning, and a monthly people review are done to discuss replacement or transition plans for retiring or resigning employees. The implementation of development assignments ensures ready replacements. In case of employee separations, the Company observes the 30-day policy where resigning employees must file their resignation at least 30 days prior to their intended separation from the Company to facilitate sourcing of replacement and ensure proper turnover. In response to COVID-19 restrictions, the Company implemented a flexible work arrangement – a combination of work on site, work from home, forced leave in some sites, and temporary deployment of employees to essential roles. Work arrangements are adjusted depending on the quarantine protocols of the local sites and the requirements of the business. The cement plants are 100% on site. Work arrangements are discussed by the members of Holcim Philippines's management team during the regular Business Resilience Team meetings. These actions allowed the Company to cope with the business situation and support recovery.

What are the opportunities identified?	Management Approach
Holcim Philippines constantly validates that its benefits and policies are appropriate for its target market group.	The Company goes beyond compliance with labor laws and standards. Its policies and programs for base salary and benefits plan are beyond the mandatory requirements. Aside from these, the Company participates in an external salary survey every two years. The latest survey was conducted in 2019 by an independent consultant, where Holcim Philippines's compensation and benefits were compared to its target market group.

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	5,093.9	hours
b. Male employees	11,938.75	hours
Average training hours provided to employees		
a. Female employees	20.62	hours/employee
b. Male employees	12.44	hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Holcim Philippines invests in the learning and development of employees to ensure that its people are: 1. equipped with technical and leadership skills needed in their roles; 2. in the right roles with the right competencies; 3. provided career growth and professional development; 4. retained in the Company; and 5. constantly improving in their individual performance.	The objective of the Company is for all employees to have their own Learning and Development (L&D) Plan. To achieve this, each employee should follow the L&D process: 1. Competency assessment; 2. Identification of gaps; 3. Creation of development actions to address gaps; and 4. Execution of development actions.
What are the risks identified?	**Management Approach**
With the COVID-19 pandemic, there is a greater challenge in ensuring the learning and development of employees. Not overcoming this challenge may lead to: 1. incompetent employees handling critical tasks which may result in low productivity or even accidents; 2. increased attrition rate; 3. disengaged employees; and 4. low individual performance resulting in adverse impact on overall company performance	To prevent these risks, Holcim Philippines implemented these approaches on learning and development: 1. Physical or face-to-face trainings were converted to online or virtual classroom trainings 2. Optimized the use of Percipio, the Holcim e-learning platform for leadership, behavioral and management related trainings 3. Use of 70:20:10 learning and development model

	The effectiveness of the adjustments to the learning and development approach are assessed by monitoring compliance and completion, i.e., (1) do the employees attend and complete the training programs planned for them amid the changes in learning methodology; and (2) after taking the training programs, are employees fully meeting expectations, performance-wise. These changes also led to reduction of training costs while ensuring the continued personal and professional development of employees.
What are the opportunities identified?	**Management Approach**
Holcim Philippines recognizes that classroom training is not the only means of developing our employees.	The Company advocates the 70:20:10 L&D model, which is: ● 10% education – face-to-face classroom trainings, workshops, e-learnings and virtual classroom trainings ● 20% exposure – learning from others through coaching, mentoring, networking, and benchmarking ● 70% experience – learning on the job by leading or being a member of a project, leading special assignments, taking officer-in-charge roles, and other developmental assignments.
The Company has rewards and recognition programs in place, as well as performance bonuses and merit-based increases as part of programs for recognizing employee performance.	Holcim Philippines evaluates employees' performance through the Performance Management/Goal Management System, which comprises: ● Objective-setting – setting objectives to transform Company and team priorities into individual accountabilities ● Mid-year review – checking the direction and the progress of the what and how, and the Individual Development Plans ● Annual review – assessing past performance and recognizing the employee's accomplishments of objectives and demonstrated behaviors. With this program, all employees must work on their individual objectives that are aligned with the Company objectives/goals for the year. This ensures that individual goals support Company-wide goals. Because of COVID-19, one-on-one discussions and team performance reviews were done virtually for employees who were working offsite from their homes. For face-to-face performance discussions, safety protocols such as physical distancing were maintained. Meanwhile, the required orientation of managers was carried out as usual to support the performance management process.

Labor-Management Relations

Disclosure	Quantity	Units
Percentage of employees covered by Collective Bargaining Agreements	58	%
Number of consultations conducted with employees concerning employee-related policies	0	no.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Holcim Philippines respects employees' freedom of association, in compliance with the Labor Code. The existence of nine labor unions in the Company is a manifestation of its openness to conduct collective bargaining with labor unions.	The Company maintains good labor-management relations through regular joint Labor Management Council (LMC) meetings and labor union involvement in Company initiatives and programs. The Company had already established over the years an open environment with the unions where any labor-related issues and concerns can be discussed and addressed without waiting for the scheduled LMC.
What are the risks identified?	**Management Approach**
The possible risk of not maintaining a good relationship with worker unions is the non-resolution of labor cases which may result in protest actions, disruption of business operations, or escalation to third party institutions. Such may also affect plant performance and productivity of employees.	The Company conducts dialogue with labor unions during LMC meetings to align, clarify, and address concerns to prevent misunderstandings. Exchange of ideas and opinions are encouraged in the same venue to find solutions and better ways of doing things. Union officers are involved in various projects and programs of the Company. Participation in the health and safety programs is one of the key involvements of the union. The union officers are part of the core group that assesses and discusses the Company's health and safety policies and programs in the sites. Holcim Philippines' employee engagement programs encourage workers to present their ideas as part of work-related decision-making. Policies are communicated to the union through the LMC. Whenever needed, the management organizes a meeting with the union for important business updates. Selected union officers are invited for annual planning and conferences. Whenever there are labor concerns, the Company endeavors to resolve them through plant-level dialogue first before escalating to third-party mediation.
What are the opportunities identified?	**Management Approach**
With the COVID-19 pandemic, the Company maximized the use of digital platforms to ensure continuous communication with the labor unions.	The Company, through our plant leaders and HR business partners, continued to connect with union officers and members using available digital platforms such as social media to extend information, carry on with the basic services, and provide support as needed. Face-to-face meetings were minimized but communication remained open. The Company will continue to assess the workers' needs and utilize available digital platforms to enhance its services for the workers to further improve labor-management relations.

Diversity and Equal Opportunity

Disclosure	Quantity	Units
Percentage of females in the workforce	20	%
Percentage of males in the workforce	80	%
Number of employees from indigenous communities and/or vulnerable sectors[a]	0.43	%

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

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company strives to have a diverse employee population because it believes diversity provides a broader perspective in the different aspects of business and allows for a more creative employee population. It also increases the Company's chance of attracting and retaining talent and engaging employees.	The Company has a non-discrimination policy called the Diversity and Inclusion (D&I) policy to show its commitment to achieving gender balance targets. Holcim Philippines hires, develops, and deploys talent according to the best available match between current job requirements, future business needs, and applicant profiles. D&I is integrated in all the Company's people processes, to minimize biases and ensure that diverse talent is considered in all recruitment and talent management decisions. Further, the Total Rewards System of the Company was designed to be based on position, role, and performance, and not on gender.
What are the risks identified?	**Management Approach**
There is no significant risk identified.	Holcim Philippines continues to educate the whole organization regarding the importance and the benefits of D&I through talks and training workshops. These mitigate any risks regarding perceived discrimination or inequality. Female employees are also encouraged to assume male-dominated positions.
What are the opportunities identified?	**Management Approach**
Aside from the promotion of the D&I policy, Holcim Philippines also promotes inclusivity in the workplace.	The Company does this by providing breastfeeding rooms; ensuring access for persons with disability access in strategic places; utilizing communication tools; and complying with the requirements of the Bureau of Working Conditions, as well as health and safety standards.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Total man-hours	1,512,382	man-hours
Number of work-related injuries	41	no.
Number of work-related fatalities	0	no.
Number of work-related illnesses	0	no.
Number of safety drills	66	no.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company acknowledges the impact of its operations to the health and safety of people, including its employees, contractors, and transporters of goods and materials. Holcim Philippines may also affect the health and safety of nearby communities.	Holcim Philippines recognizes health and safety as one of the most critical topics affecting both its business operations and stakeholders. With this, it has an annual Health, Safety and Environment Improvement Plan (HSE-IP) sponsored by the Company's management team. The plan focuses on promoting road safety, health, safety intervention program; raising hazard awareness; and controlling hot meal exposure through equipment and procedure improvements. All sites have their own HSE-IP tailored to address their specific concerns. Annual corporate health and safety audits are done to validate the effectiveness of programs and initiatives in the HSE-IP.
What are the risks identified?	**Management Approach**
The COVID-19 pandemic still presents a major health and safety risk. This has resulted in the continuation and addition of several regulations to protect workers, customers, and local communities.	Since the COVID-19 pandemic persisted in 2021, the enforcement of business resumption protocols aligned with the policies of the Holcim Group policy and local government enforcement units (i.e., Department of Labor and Employment, Department of Trade and Industry, Department of Health, and Inter-agency Task Force on Emerging Infectious Diseases) were maintained. Guidelines and protocols are adjusted depending on the alert level and updates/changes from the Holcim Group or local government enforcement units. The Company initiated a vaccination program for employees and their dependents, with employee vaccination rate close to 100%. Unvaccinated employees are required to submit a negative RT-PCR test result every two weeks before they are allowed to work on site.
For regular operations, the health and safety risks identified are on road safety, construction safety, occupational health risks such as dust, noise, and manual handling, and hot meal material.	Occupational health and safety risks are identified through high-level risk assessment, work permit system, job planning tool, life-saving talk, personal risk assessment, and journey management. To mitigate these risks, rules, policies, and standards were formulated and constantly communicated. Training is regularly conducted to ensure employees are knowledgeable on the proper handling of materials and equipment, and on emergency protocols. Equipment are regularly monitored to ensure that these are in the best condition. Finally, audits and performance or behavioral monitoring are conducted to ensure that rules, policies, and standards are being followed and implemented properly.

What are the opportunities identified?	Management Approach
Holcim Philippines strives to be better by improving its performance on road safety; continuing occupational health programs; holding trainings; conducting corporate audits; and considering customers' health and safety.	The HSE-IP 2021 involves initiatives in several focus areas. On road safety: Holcim Philippines continues to improve drivers' competency through classroom and in-cab training. This was done virtually throughout the pandemic with 389 drivers trained from January to December 2021. The Company also implements the wheel nut indicator for trucks road safety. On health risks: The Company implemented dust abatement projects, noise reduction, ear fit validation, and testing. Fugitive dust assessment was also completed across all sites. On the environment: The Company completed all short-term actions on its spill pollution prevention program and air emissions. It also successfully reached the minimum level as defined by the Group and complied with the local standards to transmit data from the plants to their respective regional regulatory bodies. Corporate audits on the Health and Safety Management System were done virtually and all sites audited were compliant with Holcim Group and Philippine health and safety standards. Finally, the Company implemented its Customer Safety Engagement Program (CSEP) virtually where sales officers cascaded the health and safety rules and COVID-19 best practices to customers to help keep them safe and assist their businesses in continuing operations despite the challenging times.

Labor Laws and Human Rights

Disclosure	Quantity	Units
Number of legal actions or employee grievances involving forced or child labor	0	no.

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

Topic	Y/N	If yes, cite reference in the company policy
Forced labor	N	Holcim Philippines complies with the Labor Code of the Philippines in terms of forced labor. There is no local company policy.
Child labor	N	Holcim Philippines complies with the Labor Code of the Philippines in terms of child labor. The company adheres and strictly complies with the Group's policy on human rights, which covers forced labor and child labor.
Human Rights	Y	Code of Behavior (HPHI Way), Sexual Harassment policy, Health and Safety policies, Data Privacy policy, Solo Parent policy, Diversity and Inclusion policy, Holcim Group Human Rights and Social Policy

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company ensures full compliance with labor laws and human rights as these have a direct impact on the safety of its employees, its corporate reputation, and avoidance of potential financial risk.	Holcim Philippines is fully compliant with the labor laws and human rights as complemented by its policies and programs.
What are the risks identified?	**Management Approach**
Non-compliance with labor laws and human rights will greatly affect the reputation of the Company, and the retention and attraction of talents. This may also lead to the closure of business.	The Company has established policies, guidelines, and control standards to prevent the occurrence of forced or compulsory labor and child labor. Whenever there are grievances or legal actions, the Company endeavors to resolve it through plant-level dialogue first before escalating to third-party mediation. The Company utilizes the grievance mechanism available to discuss and resolve issues. The same is also discussed during the regular LMC Meeting. If an employee commits a violation, Holcim Philippines ensures that due process is observed at all times. The Code of Business Conduct sets a fair process in conducting investigations and coming up with decisions. All parties involved are given the opportunity to explain their sides before a decision is finalized and executed.
What are the opportunities identified?	**Management Approach**
Employees are free to discuss their concerns and grievances with their immediate superiors, department heads, functional heads, Organization and Human Resources, and Legal and Compliance. If they are not comfortable to speak up via face-to-face, the Company has established the Integrity Line, a secure web-based and phone-based advice and issue reporting system administered by an independent third party.	The Company, together with the labor union, has established a grievance procedure to discuss and resolve any grievance or disputes raised. The steps are as follows: **1.** The aggrieved employee together with a union representative, if any, shall state in writing the circumstances, witnesses, and reasons for the dispute. The written grievance shall then be submitted to the plant manager concerned for resolution. This presumes that the discussion at the section and department levels has been exhausted and no resolution was reached. **2.** The plant manager concerned shall render a decision on the grievance within seven working days upon receipt of the grievance. The plant manager may opt to conduct further hearing or investigation in resolving the grievance. If the aggrieved employee is satisfied with the decision, then the grievance is rendered resolved. **3.** If the grievance remains unresolved, the case is submitted to the Grievance Council (GC) for deliberation within 12 working days upon submission thereof. If the aggrieved employee is satisfied with the result, the grievance is considered ended.

	4. If the GC fails to resolve the grievance to the aggrieved employee's satisfaction, the grievance is submitted to the National Conciliation Mediation Board, under the DOLE, for voluntary arbitration. The decision here shall be final and executory, subject only to an appeal with the Supreme Court.

Supply Chain Management

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

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If yes, cite reference in the company policy
Environmental performance	Y	Supplier Management Policy / Signed Vendor Master Agreement
Forced labor	Y	
Child labor	Y	
Human rights	Y	
Bribery and corruption	Y	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Holcim Philippines has a supplier accreditation process which considers different environmental, social, and governance topics as requirements for suppliers, depending on the type of product or service to be provided.	As part of the Company's accreditation process, suppliers are required to answer a self-assessment questionnaire on sustainable development and to sign a Vendor Master Agreement (VMA) which affirms, among others, the suppliers' commitment to the Sustainable Procurement Initiative (SPI). In addition, suppliers also agree to a fact-finding inspection or audit, if necessary, by Holcim Philippines or a designated representative to check compliance with the SPI.
What are the risks identified?	**Management Approach**
Some suppliers such as service providers, suppliers of quarried materials, and transport providers may have a high environment, social and governance (ESG) impact.	The Company determines the potential ESG impacts of suppliers through the self-assessment questionnaire on sustainable procurement. The process includes validation and audit. In case of non-compliance with our Anti-Bribery Corruption Directives and other serious violations, suppliers are blacklisted. This is monitored through reports to the Holcim Group's Integrity Line. There were no instances of supplier blacklisting in 2021.
What are the opportunities identified?	**Management Approach**
The Company only deals with legitimate businesses that comply with relevant laws and regulations, and embrace the ideals and policies of the Holcim Group. We acknowledge the opportunity of pushing our sustainability agenda throughout our supply chain through the SPI.	The Company encourages its suppliers to be more sustainable by educating and informing workers of their rights, implementing health and safety related programs for contractors, and executing the SPI.

Relationship with Community

Significant Impacts on Local Communities

Operations[b] with significant impacts on local communities	Location	Vulnerable groups[a]	Does the particular operation have impacts on indigenous people?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures or enhancement measures
Bulacan Integrated Plant	Norzagaray, Bulacan	Children, elderly	No	Fugitive dust and water contamination negatively affecting the communities near the plant	Information campaign and consultation meetings held with key stakeholders to cascade continuous technical improvements to the plant to mitigate environmental concerns. Open communication is maintained with all stakeholders to immediately address issues and prevent any misunderstanding.
Davao Integrated Plant	Bunawan, Davao City		No		
La Union Integrated Plant	Bacnotan, La Union		No		
Lugait Integrated Plant	Lugait, Misamis Oriental		No		
Mabini Grinding Plant	Mabini, Batangas		No		
Calumpit Bag Plant	Calumpit, Bulacan	N/A	No	N/A	Community impact is minimal with insignificant levels of dust and noise since cement products are not produced here. The risk of seepage of washed ink from bag coloring to nearby irrigation canals is mitigated by pollution control facilities installed in the paper bag plant.
Calaca Terminal	Calaca, Batangas	N/A	No	N/A	Community impact is minimized because the site is situated inside an industrial estate/zone.
Bicutan Dry-Mix Plant	Bicutan, Paranaque	N/A	No	N/A	
Manila Terminal	Tondo, Manila	N/A	No	N/A	Community impact is minimized because the site is situated inside a port-city complex.
Iloilo Terminal	Lapuz, Iloilo City	N/A	No	N/A	

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

[b] *These are business operations that exclude social initiative projects.*

For operations that affect indigenous peoples, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certificate Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: ______N/A________

Certificates	Quantity	Units
FPIC process still ongoing	N/A	no.
CP secured	N/A	no.

What are the risks identified?	Management Approach
The Company's site Corporate Social Responsibility (CSR) personnel gather feedback via their regular interactions with the primary impact community and key stakeholders. They report to the plant management team any concern that requires immediate action.	The stakeholder engagement strategy of the Company is guided by Holcim Group's Human Rights and Social Policy. The Company's operating sites develop its own stakeholder engagement plans based on this policy which includes regular engagement with the primary impact communities. The sites also set up local Community Advisory Panels. This group acts as a venue for interaction between representatives of the local community and the Company. Feedback gathered by the CSR personnel requiring immediate action is reported to the Site Management Team. These can be escalated to corporate management if further support is needed to close certain issues. This is facilitated by Corporate Stakeholder Relations.
What are the opportunities identified?	**Management Approach**
Holcim Philippines subscribes to the Holcim Group's sustainable development strategy, which is aligned with the new corporate identity to become the leader in innovative and sustainable solutions. This framework summarizes the Company's vision and embraces this main challenge for society around the world, which should resonate with all types of stakeholders. While the Company commits to accelerate its impact across the United Nations' 17 Sustainable Development Goals, the Company aims to enhance its contribution on nine of those through its four sustainability pillars: (1) Net Zero Climate Pledge, (2) Building a Circular Economy, (3) Nature, and (4) People. Under People is Holcim Philippines's overall corporate citizenship campaign, "***Helps***," which provides the overall framework for all Social Initiatives across all operating sites.	Given the corporate goal to become the leader in innovative and sustainable solutions, more effort is given to align social initiative programs with the four sustainability pillars. These consider in perspective the critical needs of the communities and a deeper understanding of specific issues where operating sites can support and help. The site CSR personnel conduct regular community consultations to develop right programs to address the identified needs. The Company partners with several civic organizations and local government units to ensure the proper implementation of programs. It also plans to utilize its corporate citizenship networks such as the international chambers of commerce, the League of Corporate Foundations, and the Philippine Business for Social Progress to maximize the reach and scale of social initiative programs. Partnership projects have been discussed with the United Nations Human Settlement Programme and Habitat for Humanity.

Customer Management
Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study? (Y/N)
Customer Satisfaction*	59%	N

[a] *Based on NPS run, Q4 2021*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company's Customer Satisfaction (CSAT) surveys are conducted as part of its feedback resolution process, commonly known as case management. This process aims to address negative feedback or complaints and document the positive feedback or commendation from customers. The CSAT results are logged in the company's Customer Relationship Management (CRM) tool via Salesforce.com. Salesforce.com (SFDC) is also used to conduct another feedback resolution process, the Net Promoter Survey (NPS). This activity aims to measure how likely customers are to recommend Holcim to their contacts. Held last Q4 2021, the NPS result showed that majority of its customers are promoters, with an NPS score* of 59% Similar to CSAT, NPS aims to address the pain points of customers across touchpoints and to document the positive feedback or commendation from customers. **NPS Score = %Promoter - %Detractor*	Aside from the CSAT incorporated in the case management process and operational NPS, the Company also conducts After Action Reviews to determine areas for improvement and get positive experiences from the customers on its initiatives. In the interest of our customers' safety during the COVID-19 pandemic, some of the trade marketing activities have been transformed to digital engagement to adapt to the changing ways of conducting business. The shift to digital engagement for the majority of customer engagements was a result of the Customer Pulse Survey conducted at the start of Q3 2020 to understand the situation of business partners, and to determine the kind of engagement that will be most effective especially during the pandemic. The result, which validated the importance of digital engagements, was presented to colleagues and to the members of Holcim Philippines' management team.
What are the risks identified?	**Management Approach**
Customer satisfaction may be affected by issues and concerns experienced by customers. Based on our NPS, customer experience touchpoints with lowest scores are pickup and delivery as well as product and service offering Improvement areas on other touchpoints are being coordinated with relevant functions to maintain customers' satisfaction and drive loyalty.	Issues and/or concerns raised by the customers were assigned to solution providers for resolution. The solution providers, identified per customer journey, were notified through SFDC, where details of the feedback together with the supporting documents, if any, can be seen. After the solution providers give updates on the case, the Customer Experience Team gets in touch with the customers to validate the Company's action and get their feedback on the overall issue resolution process. Holcim Philippines implemented the following resolutions for the common issues raised:

	- Invoicing in payment: Easybuild enhancement on e-invoice, an electronic version of the printed sales invoices which will be available for download and convenience. An automated email notification will be sent to the registered email address once an invoice becomes available. This initiative was released last December 7, 2020. - Logistics delivery and pickup: Improvement on operations and process review to provide sustainable solutions. - Product and packaging quality: The Technical Services Team is working, on a per complaint basis, to address these complaints. Complaints on cement quality are usually attributed to workability of the concrete. - Product and service offerings: Discussion with customers on the improvements and offerings of new products, including Holcim Aqua X, Holcim ECOPlanet, and Build to Win end user promo.
What are the opportunities identified?	**Management Approach**
The Company is continuously working to improve customer engagement and experience even with the COVID-19 pandemic.	To address the feedback of the customers from the Customer Pulse Survey, the Marketing and Innovation and Sales teams recalibrated customer engagements. As an example, using free digital platforms, the Company's leaders and sales team held meetings called eKamustahan with close to a hundred key customers to provide important Company updates in light of the pandemic. This had an average positive rating of 95% from participants. Through online sessions on COVID-19 controls at its sites, done via the Customer Safety Engagement Program (CSEP), the Company assured customers about the safety of operations. Holcim Philippines also shared with hardware stores the best practices and behaviors to ensure safety during the pandemic and online security through Cyber Security Awareness training. The Company is sustaining the Excellent Squad Facebook Community to engage counter sales personnel (*tindera*) and cement truck drivers of Holcim Philippines partners to take advantage of people's heavy use of social media. This enabled the Company to interact with these key people in a fun and light way while promoting sales.

	The Company continues to improve its Easybuild Customer Portal (Easybuild) and other digital channels. To improve customer experience and provide ease of use on the self-service platform, enhancements on Easybuild included improvement on sales order creation; inclusion of feedback management and information dissemination features, and introduction of e-invoice and e-pod functionalities.

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety[a]	0	no.
No. of complaints addressed	0	no.

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

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Customers are assured and are aware of the proper storage, transport, and handling of products.	Holcim Philippines provides a Material Safety Data Sheet (MSDS) of cement products to the customers who contain information on the product content, safe use of product, and disposal including the possible environmental or social impacts. The Company strictly implements quality control guidelines to ensure products are within the health and safety standards. Holcim Philippines also engages with the customers through the CSEP spearheaded by the Sales Team wherein, proper storage, secured transport, and safe handling of products are communicated and illustrated.
What are the risks identified?	**Management Approach**
The COVID-19 pandemic serves as a customer health and safety risk because of face-to-face interactions.	Holcim Philippines' virtual CSEP is meant to inform customers on the COVID-19 health and safety guidelines implemented by the Company and to share best practices that business partners can implement in their operations. The Trade Marketing Team held this for 150 customers with support from the Company's Health, Safety, Security and Environment department. During these CSEP sessions, the Company shared updates on business protocols in all sites aligned with those being implemented by local governments. The sessions also served as an avenue to discuss areas for improvement especially for possible breaches.

What are the opportunities identified?	Management Approach
There is no significant opportunity identified.	

Marketing and Labelling

Disclosure	Quantity	Units
Number of substantiated complaints on marketing and labeling[a]	0	no.
Number of complaints addressed	0	no.

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

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Holcim Philippines complies with relevant marketing and labeling laws and regulations. Stakeholders such as customers, government regulators, and advertising agencies are free to contact the Company through its hotline and commercial personnel when they find inconsistencies in the marketing and labeling of products.	Some of the guidelines, laws, and regulations related to marketing and labeling followed by the Company are: • Philippine National Standards mandatory bag markings • Holcim Group Brand Guidelines (packaging) • Holcim Group Branding Guidelines • Holcim Philippines Media Communications Guidelines • Holcim Philippines Social Media Guidelines Holcim Philippines also strictly adheres to the PNS directives of Department of Trade and Industry (DTI) Bureau of Product Standards on matters related to product licensing and labeling. The Company participates in DTI's annual audits in securing certification for our products, approval for new packaging designs prior to commercial run, and Technical Committee discussions for the Cement Manufacturers Association of the Philippines.
What are the risks identified?	**Management Approach**
Non-compliance with marketing and labeling regulations may lead to suspension, recall, and revocation of the Company's Philippine Standards (PS) license; issuance of show cause order; cessation from further supply, distribution, and sale of products in the Philippines; and issuance, publication, and implementation of product recall. Aside from legal repercussions, not having accurate marketing protocols may lead to	The Marketing and Innovations team ensures adherence to proper labelling regulations issued by the DTI, as well as the Holcim Brand Guidelines on product and usage information on its products' packaging and communication materials. The DTI released Memorandum Circular (MC) No. 20-56 on 28 October 2020 providing Supplemental Guidelines for the Implementation of DAO 17-06, Series of 2017 or "The New Rules and Regulations Concerning the Mandatory Certification of Portland Cement and Blended Hydraulic Cement with

customers committing errors in selecting the proper product for their needs. Incomplete or wrong claims may result in misguided product expectations, risking the integrity of structures where the Company's products were used.	Pozzolan." This requires all locally manufactured and imported cement products shipped in bulk and bagged in a PS-licensed bagging facility to be permanently marked with the name and address of the manufacturer, the country of manufacture, and the words "Bagged by," followed by the name and address of the bagging facility. The MC aims to address the concerns on the product label of imported cement products shipped in bulk and bagged in the Philippines but labeled as "Product of the Philippines" which causes confusion among consumers as it is not reflective of the imported products' country of origin or manufacture. Holcim Philippines is complying with the necessary markings as the MC is effective 60 days from release.
What are the opportunities identified?	**Management Approach**
There is no significant opportunity identified.	

Customer privacy

Disclosure	Quantity	Units
Number of substantiated complaints on customer privacy[a]	0	no.
Number of complaints addressed	0	no.
Number of customers, users, and account holders whose information is used for secondary purposes	0	no.

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

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Holcim Philippines values its customers' data privacy because they are partners in the business. Hence the Company requires our sales officers to ensure that customers accomplish external consent forms and measures to ensure the privacy of their data.	The Company's Customer Information Sheet was drawn up to ensure that only necessary information is collected, consistent with the purposes of the collection. The Company engages third parties who commit to uphold customer data privacy and enforce contractual commitments to comply with laws and regulations. The privacy rights of customers and other third parties are always upheld, and assistance in exercising their rights is available in various fora. Holcim Philippines' customer care hotlines and portals allow customers to update, review and/or revise any data provided pursuant with their dealings with the Company. Holcim Philippines' Data Privacy policy is available on the website via this link: https://www.holcim.ph/block-rich-text-data-privacy-policy

What are the risks identified?	**Management Approach**
Improper handling of customer privacy may lead to compliance and reputational risks.	Holcim Philippines has a centralized structure for data privacy management where the Data Protection Officer is responsible for privacy-related matters including customer privacy. The Company continuously trains and communicates to employees handling employee and customer data the current policies and company directives on data protection to make sure customer data privacy is strictly observed. Holcim Philippines has venues available for customers to raise concerns about their individual privacy through customer care hotlines and customer contact partners. The company published its Data Privacy Officer Mailbox on the website and indicates its privacy notices and consent forms in customer information sheets, and even mechanics for promotional campaigns.
What are the opportunities identified?	**Management Approach**
The Company recognizes the opportunity to continuously improve our customer privacy policies and measures.	The Company consistently updates and improves training for employees, commencing from the new employee onboarding and moving on to periodic training on fundamental aspects of data privacy, data subject rights, cybersecurity and other practical and applicable policies and directives on data protection. As part of the Group, the Holcim Philippines engages the services of independent third parties to review and audit the Company's actions within a specified period to determine compliance with current trends on data protection, cybersecurity, and standard policies and guidelines. Likewise, the Company's Internal Controls and Quality Assurance department and the Company's external auditor annually check the Company's compliance with Holcim Group's policies and guidelines, particularly, the administration of the required employee training and other requirements of data protection.

Data Security

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

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Holcim Philippines highly values IT security for the protection of its information.	The Company adopts and enforces the Holcim Group's directives on IT security. The Group's IT

	policy focuses on three domains: IT security, IT service management, and other IT processes.
What are the risks identified?	**Management Approach**
The Company faces usual cybersecurity risks that may lead to business disruption or competitive disadvantage.	Aside from utilizing measures consistent with industry standards and the Holcim Group directives, the Company ensures that employees who are exposed to risks undergo cybersecurity training and communications periodically to keep updated with threats to data security. They are instructed to immediately alert and notify the IT service desk and/or their immediate supervisor whenever suspicious activity, emails or issues arise for prompt action.
What are the opportunities identified?	**Management Approach**
Holcim Philippines recognizes the opportunity to continuously improve our cybersecurity policies and measures.	The current demands of the business climate encourage the Company to establish and strengthen a culture of awareness on data protection and cybersecurity. Plans for the improvement of the efficiencies and measures are to be discussed and completed alongside major projects and activities. The Business Continuity Plan (BCP) was developed to outline the general procedures to be taken in the event of a serious business disruption (or the threat of one) affecting the operation of key functions. This includes activities and protocols that must be performed during, after or in view of an imminent disaster or business disruption.

UN SUSTAINABLE DEVELOPMENT GOALS

Product of Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

BLENDED CEMENT	
Societal Value / Contribution to UN SDGs	Holcim Philippines has a wide range of blended cements in its portfolio to promote the use of the right product for the right application. Blended cements minimize its use of clinker and substitute this with alternative materials to produce cement. This leads to the efficient use of natural resources and the lowering of the overall carbon footprint of the built environment. **SDG no. 9** **Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.** **Target 9.4.** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities. **SDG no. 12** **Ensure sustainable consumption and production patterns** **Target 12.4** By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water, and soil in order to minimize their adverse impacts on human health and the environment. **Target 12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse. **SDG no. 13** **Take urgent action to combat climate change and its impacts** **Target 13.2**. Integrate climate change measures into national policies, strategies, and planning
Potential Negative Impact of Contribution	It is during the production of clinker, the main component of cement, when most carbon dioxide emissions associated with cement occur. The majority of these emissions are unavoidable, as they result from the chemical reaction that occurs when the raw material (limestone) calcinirates into a clinker in the kiln.
Management Approach to Negative Impact	Replacing the clinker in the final product with alternative mineral components reduces the carbon footprint of cement production. As an alternative, Holcim Philippines utilizes waste-derived resources or cement additives such as fly ash and granulated blast furnace slag (GBFS) and synthetic phosphogypsum. These materials are by-products of other industrial processing plants. The Company uses other alternative raw materials such as contaminated soil or bottom ash in producing clinker to lessen its consumption of natural resources.

WASTE MANAGEMENT SOLUTION	
Societal Value / Contribution to UN SDGs	Holcim Philippines embraces the circular economy principle to contribute to the country's solid waste management solution and to support the Group's strategy to reduce its global carbon footprint through less use of traditional fuels. Geocycle is the Company's waste management solutions arm that sources for alternative fuel and raw materials from various industry partners and local government units for co-processing in the cement kilns. **SDG no. 12** **Ensure sustainable consumption and production patterns** **Target 12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse. **SDG no. 13** **Take urgent action to combat climate change and its impacts** **Target 13.2**. Integrate climate change measures into national policies, strategies and planning
Potential Negative Impact of Contribution	Cement kiln co-processing itself cannot address the waste management challenges of the country but can be an integral part of the whole waste management value chain. This technology fits with any circular economy program following the waste management hierarchy which prioritizes waste avoidance, reduction, re-processing, and recycling.
Management Approach to Negative Impact	Holcim Philippines uses cement kiln co-processing technology; wherein qualified waste materials are used as an alternative to coal in producing cement. Co-processing provides a practical, cost-effective, and environmentally preferred alternative to landfills and traditional incineration. This technology is unique because it encompasses both material recycling and energy recovery within an industrial process.