DISCOVERY WORLD

Sustainability Report 2023

ADECADE OF SUSTAINABILITY IN ACTION



Annex A of the Annual Report



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ABOUT THIS REPORT

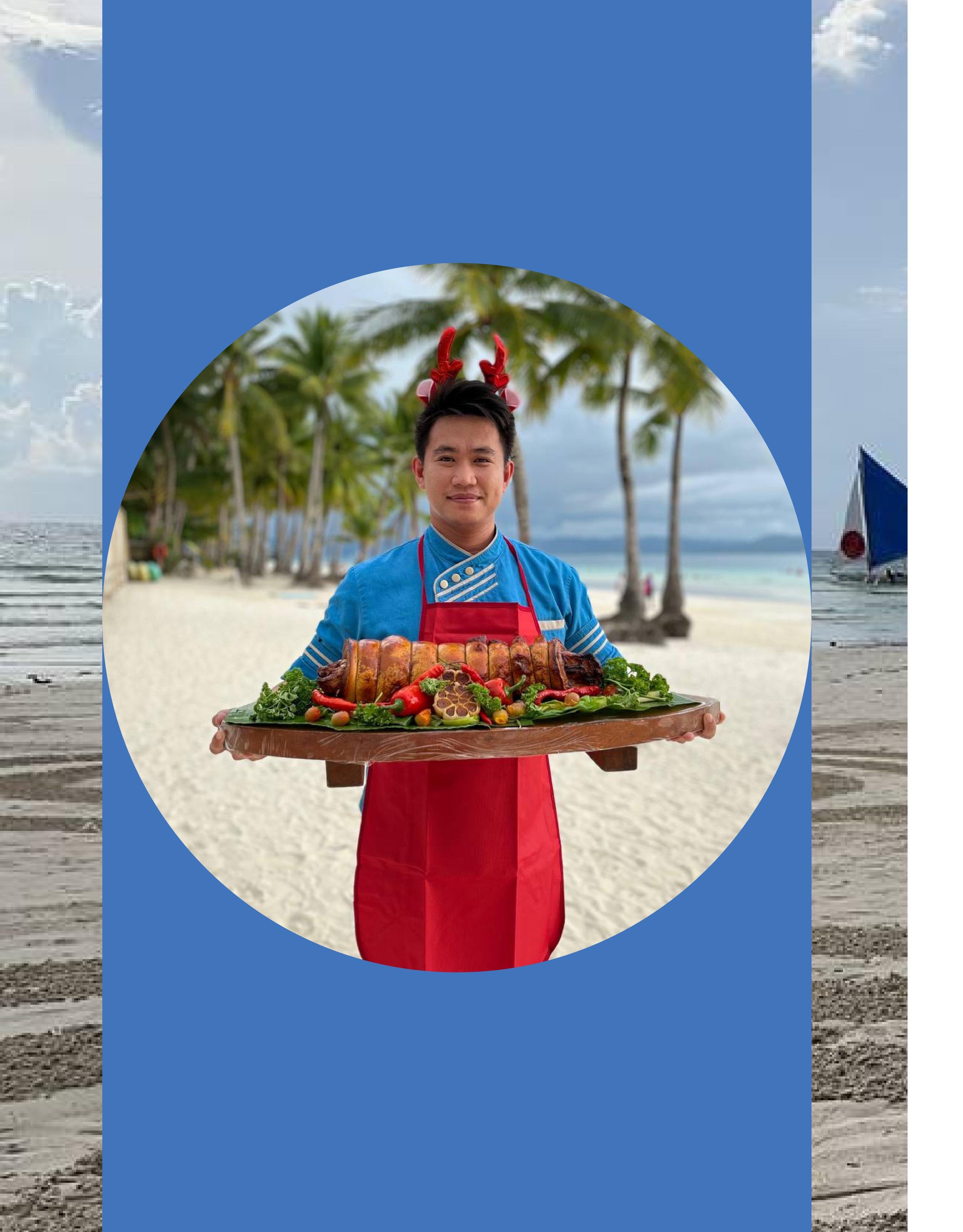
This report aims to discuss the economic, environmental and social impacts of the Company towards the goal of sustainable development.

The sustainability reporting of the Company is based on the Securities and Exchange Commission (SEC) Sustainability Reporting Guidelines for Publicly Listed Companies (PLCs). This Guidelines provides a Sustainability Reporting Framework for Philippine PLCs that builds upon four of the globally accepted frameworks, which companies use to report on sustainability and non-financial information - the Global Reporting Initiative's (GRI) Sustainability Reporting Standards, the International Integrated Reporting Council's (IIRC) Integrated Reporting (IR) Framework, the Sustainability Accounting Standards Board's (SASB) Sustainability Accounting Standards, and the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).

The report is limited to the operating segment of the Company and one of its operating subsidiaries which has a significant impact on the consolidated financial performance of the Organization.

CONTEXTUAL INFORMATION

Name of Organization	Discovery World Corporation						
Location of Headquarters	2159 Chino Roces Avenue, JTKC Centre, Makati City						
	Discovery Boracay - Station 1, Brgy. Balabag, Malay, Aklan						
Location of Operations	iscovery Coron - No. 1 Dimakya Island, Coron, Palawan						
	iscovery World Corporation under the style Discovery Boracay (formerly Discovery Shores Boracay)						
Report Boundary: Legal Entities	Euro-Pacific Resorts Inc. under the style Discovery Coron (formerly Club Paradise Palawan)						
	To carry on the business of resorts and recreational centers; to engage in the business of operating a hotel or other accommodations.						
Reporting Period	Sustainability report for the year ended December 31, 2023						
Highest Ranking Person responsible for this report	Compliance Officer						



DISCOVERY WORLD

MSSION AND VISION

Our Mission

Create a World of Discovery by 2030, expanding our reach to at least 10 destinations in the Philippines.

Our Vision

To create memorable experiences and enrich people's lives in a World of Discovery.



ABOUT DISCOVERY WORLD

Discovery World Corporation (DWC) is primarily engaged in developing, operating, and managing some of the most sought-after luxury destinations in the Philippines. DWC is one of the leading hotel and resort businesses in the country. Through the years, DWC has solidified its footing as a fortitude of the industry and a strategic massive land bank in key tourism destinations.

The pristine island of Boracay in Aklan is home to Discovery World Corporation's first and flagship project launched in 2007, the Discovery Boracay (formerly Discovery Shores Boracay). The internationally-acclaimed 99-suite resort hotel sits in the most exclusive spot of Station 1 known as the White Beach, and boasts the addition of two new rooms ready to welcome guests soon. Sharing the stillness of the island is a 30-room staff house called Balay Discovery.

Following DWC's acquisition of Euro-Pacific Resorts, Inc. (EPRI) in 2013, it also owns and operates Discovery Coron (formerly Club Paradise Palawan), a multi-awarded 74-key luxury resort in Dimakya Island, Coron, Palawan – a UNESCO biosphere reserve. The property continues to expand with an addition of new suites in the next few years.

CLUB PARADISE MAKING WAVES IN WATER CONSERVATION

ENVIRONMENT & CLIMATE

Club Paradise (now Discovery Coron) once again made it to the GreenDestination's Top 100 sustainability stories for 2023.

Water is one of the most essential elements for life on Earth. It plays a crucial role in sustaining all living organisms, including humans. Despite its immense importance, water resources are finite, and many regions face water scarcity due to various factors like overuse, pollution, and climate change. Therefore, it is essential to protect, conserve, and manage water resources to ensure its availability for future generations and the preservation of life on Earth.

Club Paradise Palawan with a collaborative and multi-stakeholder approach, has, over the years, been implementing activities aimed at preserving a healthier and thriving marine environment reducing water pollution through organic farming, avoiding the use of single-use plastic, and investing to have its desalination plant. Moreover, to address overfishing and depletion of the coral reefs it implements no-take zones, initiated the coral restoration program, and continues to monitor the presence of crown-of-thorns starfish outbreaks.





The world's oceans are facing several issues that threaten the marine environment and biodiversity:

- Overfishing has led to the decline of fish populations, disrupting the balance of marine life.
- Coral reefs are being destroyed by crown-of-thorns starfish outbreaks and other human activities, further compromising marine habitats.
- The pervasive issue of pollutants in water not only has harmful effects on marine organisms but also on humans through the food chain.
- Pesticides and harmful chemicals from agriculture end up in coastal waters, causing detrimental effects on seagrasses, algal communities as well as gastropods and bivalves with economic values.
- There is also the decline of the marine turtle population which calls for the urgent need for conservation efforts and sustainable practices to safeguard our oceans and the life they support.

Key success factors:

- Collaboration with the government and non-government organizations that promote the preservation and conservation of the environment
- Research and information gathering which played a crucial role in Discovery Coron's marine conservation efforts.
- Regular monitoring of the marine ecosystem and species populations provides valuable data on the success of conservation efforts.
- EcoConserve Teams: Sea Guardians and Green Thumb play a vital role in Discovery Coron's efforts to protect and conserve sea turtles and their nesting sites.
- Sustaining efforts and support from the stakeholders.

CLUB PARADISE MAKING WAVES IN WATER CONSERVATION

Achievements and Results:

- Water Pollution and Waste Disposal conducted Beach Clean-ups in 2022 reported a total of 19.5 kgs of trash collected composed of 7.69% rope, 35.90% plastic bottles, 5.12% can, 20.51% plastic sack, 15.38% plastic and foam packaging, 15.38% styro.
- The Discovery Coron team installed 2 fish aggregating devices (FADs). While installing the fronds, juveniles of pelagic fish species were observed hovering along the "payaw" area.
- The no-take zone serves as a haven for marine species to recover and replenish wildstock populations. This contributes to the restoration of equilibrium and enhances the resilience of the marine ecosystem.
- Plastic straws and stirrers have now been eliminated saving the resort a total of Php50,000(USD1K) in 2018.
- Discovery Coron's house reef is home to several species of fish, sea turtles, and other marine organisms.
- Two common marine turtle species were observed to be frequently nesting on Dimakya Island: the Green sea turtle (**Chelonia mydas**) and the Hawksbill turtle (**Eretmochelys imbricata**). It was observed that variation in total annual hatchling count from 2018 to 2023 was present. Sometime in 2021 to 2022, as the restrictions loosened, the number of trained spotters and turtle counters increased thus efforts in turtle monitoring also improved.
- The Discovery Coron team installed a total of 12 coral bed nurseries and 6 coral tree nurseries around Dimakya Island. These are both innovative and effective methods for coral reef restoration and conservation.
- Operating its desalination plant showcases Discovery Coron's commitment to environmental stewardship and sustainable practices, positioning the property as a leader in green and eco-friendly tourism. Before there was a desalination plant, the total expenses brought about by acquiring clean water from mainland Coron last 2021 amounted to Php 3,516,260.01.





Direct Economic Value Generated and Distributed

(All amounts are presented in Philippine Peso)

This section presents information on the creation and distribution of economic value that provides a basic indication of how the Company has created wealth for stakeholders.

Footnotes:

* - Payments to providers of capital pertain to interest payments on loans.

** - Payments to government include local and national taxes.

DISCOVERY BORACAY (DB)	2022	2023
Revenues	419,007,956	471,640,335
Operating costs	286,058,626	146,392,286
Employee wages and benefits	58,961,905	63,414,413
Payments to suppliers, other operating costs	214,289,077	136,337,656
Payments to providers of capital*	61,777,146	94,064,672
Payments to government**	43,738,925	34,595,129
Investments to community (e.g. donations, CSR)	111,700	313,265
	SS -1,809	SS-2,629
otal number of nights sold	88 rooms -17,459	88 rooms - 19,094

DISCOVERY CORON (DC)	2022	2023
Revenues	P 286,367,944	335 082,530
Operating costs	149,228,913	186,178,584
Employee wages and benefits	39,086,747	51,205,754
Payments to suppliers, other operating costs	141,152,627	211,753,218
Payments to providers of capital*	36,388,386	41,393,058
Payments to government**	18,458,505	25,066,854
Investments to community (e.g. donations, CSR)	34,770	123,058
Total number of nights sold	13,666	15,683

Impact

The Organization saw a continuous improvement in its revenue level in 2023. Tourist arrivals in Boracay and Coron, Palawan where the Organization's operating properties are located, exceeded its target tourists arrivals, which in turn improved the guests influx to the properties.

The Organization was able to provide economic value to various stakeholders, suppliers, employees, and to government and community.

Identified Risks

Business interruption due to risks associated with products and services, inflation, equipment breakdowns and other property exposures.

Identified Opportunities

Following a strong 2023, international tourism is well on track to return to pre-pandemic levels in 2024 according to the first UNWTO World Tourism Barometer of the year. The organization can further elevate and enhance the basics – services, products, amenities, and strategies to align with this opportunity.

Affected Stakeholders

The economic performance of the organization contributed to the livelihood of its employees, community, suppliers, government and stockholders.

The identified risks may affect the organization's employees, community, suppliers, government and stockholders.

The identified opportunities may affect the organization's employees, community, suppliers, government and stockholders.

Management Approach

To ensure the achievement of operational growth and financial objectives, the Organization ensures the implementation of controls, programs, and policies including more innovative strategies and marketing initiatives.

Procedural Manuals are being implemented to ensure a consistent approach to the performance of business activities and "service that's all heart".

The Organization continues to infuse and upgrade its basic guest services and other business strategies to maintain aggressive dealings. Strengthened equipment maintenance and improvements were also perpetually acted by the Organization.

The Organization continuously explores and develops other business opportunities that could increase revenue generation. Expansions like adding more rooms to the inventory and improving the facilities are being put through for the Resorts to remain competitive.

Climate-related risks and opportunities

This includes risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure.

Governance

The Organization has corporate environmental programs and the Board, through the Risk Oversight Committee, performs risk management function including climate-related risk and opportunities.

The Board, through the Corporate Governance Committee, monitors the sustainability activities of the Organization including the impact of those initiatives in the environmental sustainability.

The Management, through its Risk Officer, performs assessment of the climate-related risk and opportunities and designs controls to address or mitigate the risk in consultation with the operation's management.

Strategy

- Variable weather conditions may affect travel flights to property destinations. Climate change have attributed to intense typhoons and stronger wind shear may cause damage to properties which may result to business interruptions. The properties are assessing these climate related risks in order to adapt to its effects. Budgets and targets are established to consider effects of changing weather conditions.
- Climate change resilient designs are also built to withstand potential calamities.
- To ensure that contribution of the organization to climate change is insignificant, the properties monitor their carbon footprints.
- Conservation of water and energy resources, maintenance of biodiversity either on land or seas, and sustainable farming are few of the practices of the organization to lessen the factors resulting to climate change.
- Trainings/seminars are conducted to educate the employees of the importance of environmental sustainability initiatives and on how to properly monitor the Organization's performance.
- The Master Development Plan of the Resorts anticipates the effect of climate change in planning for the future developments of the Organization such as rising sea level in the coming years and the increase in frequency of strong typhoons.

Metrics and Targets

- Carbon footprints (GHG emissions)
- Compliance with environmental regulations (Penalties and violations)
- Amount of property damage brought by typhoons.
- Number of typhoons in a year.
- Typhoon Strength

Risk Management

- Included in the organization's risk management program is the gathering of data to identify climate hazards and implementing controls to reduce or mitigate climate related risks.
- Drills, trainings and seminars are conducted to ensure preparedness of properties during calamities.
- Pollution Control Officers are also designated in each property to ensure compliance to environmental regulations and regularly monitor the environmental impacts of the company.
- Insurance policies are procured to indemnify financial losses that calamities may cause.

Training on Anti-corruption Policies and Procedures

Training builds the internal and external awareness and the necessary capacity to combat corruption.

Impact

The Organization's values underpin high standards of ethical conduct, it values stand firm against corruption. Any corruption incidents will impact the Organization as it may result in a loss of confidence of the stakeholders, financial losses to the Organization and loss of brand reputation from negative public perception.

Identified Risks & Opportunities

Employee and management fraud relating to self and financial interest. inclusive of connivance for external fraud.

Periodic review the code of conduct to adapt to the changing work environment. The Organization may still exceed its training and seminar in line with anti-corruption.

	DISCO	VERY B	ORACAY	(DB)	DISCOVERY CORON (DC)			
Disclosure		2022		2023		2022		3
		Units	Quantity	Units	Quantity	Units	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	60	0/0	100	%	100	0/0	100	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	N/A	0/0	N/A	%	N/A	%	N/A	%
Percentage of directors and management that have received anti-corruption training	5	0/0	100	%	100	%	100	%
Percentage of employees that have received anti-corruption Training	60	0/0	100	%	100	%	100	%

Affected Stakeholders

Incidents of corruption, once proven, may affect the **employees**, **customers and management**.

Identified Risks and Opportunities may affect the employees, customers and management.

Management Approach

The Organization implements its code of conduct which includes observation of honesty, integrity, dedication, prudence, diligence, high moral standards, and decorum in the performance of duties.

Moreover, Anti-bribery and Corruption Policy was adopted as part of the Organization's code of conduct to strengthen its stand against bribery and corruption.

Employees undergo training and orientation on the company's code of conduct. External and internal auditing helps ensures that fraudulent activities do not exist inside the Organization. Code of conduct is regularly reviewed and controls over cyber security threats are strengthened.

Incidents of Corruption

For stakeholders, there is an interest in both the occurrence of incidents and an organization's response to the incidents. Public legal cases regarding corruption can include current public investigations, prosecutions, or closed cases.

Impact

None has been reported as incident of corruption in the Organization since its inception.

Identified Risks & Opportunities

Corporate Governance risk or the risk that personnel incharged of management will not function in the best interests of the stakeholders. Ethics risk or the risk that the guiding principles of the organization will be violated.

No identified Opportunities were noted as the Organization has not experienced any corruption incident since its inception.

		OVERY B	ORACAY	(DB)	DISCOVERY CORON (DC)			
Disclosure	2022		2023		2022		202	23
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	#		#	0	#		#
Number of incidents in which employees were dismissed or disciplined for corruption		#		#		#		#
Number of incidents when contracts with business partners were terminated due to incidents of corruption		#		#		#		#

Affected Stakeholders

Incidents of corruption, once proven, may affect employees, suppliers, customers and management.

Incidents of corruption, once proven, may affect employees, suppliers, customers and management.

Management Approach

The Organization through its regular seminar and training on code of conduct emphasizes the importance of honesty, integrity, dedication, prudence, diligence, high moral standards and decorum in the performance of duties.

The Organization ensures that all employees especially its management personnel are familiar with the organization's expectations on ethical and professional conduct.

The Organization has a Whistle Blowing Policy which sets forth the conditions and procedures for investigations of allegations of corruption, fraud, and misconduct.

Significant Indirect Economic Impacts

This disclosure concerns the spectrum of indirect economic impacts that an organization can have on its stakeholders and the economy.

Impact

The Organization's economic improvement and further development projects impact the local groups and communities as it generates job opportunities and livelihood programs. Third-party casual employees consist mostly of locals from Aklan, Iloilo, and Coron. As the number of guest arrivals increases, the requirement for employees also increases, hence, creating more jobs for the local community.

Identified Risks & Opportunities

The quality of product/service provided by the third-party service providers or local markets does not meet the set standards of the Organization. The Organization may shift a higher portion of its purchases in local market to support the livelihood of the community.

	DISCO	/ERY B	ORACAY (DB		DISCOVERY CORON (DC)				
Disclosure	2022		2023		2022		2023		
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units	
No. of employees outsourced from third party service providers	141	#	177	#	102	#	117	#	
Ratio of number of outsourced employee for each guest arrival	1:4	ratio	1:4	ratio	1:4	ratio	1:4	ratio	
Total payments to third party service providers	28,652,563	Php	30,219,858	Php	13,212,393	Php	21,302,705	Php	
Percentage of local construction workers engaged	100	%	100	%	98	%	98	%	
Purchase of hotel amenities from local communities		Php		Php	83,479	Php	69,414	Php	

Affected Stakeholders

The indirect economic impacts affects employees and locals.

The identified Risks and Opportunities may affect the **Customers**, **Owners and Suppliers**.

Management Approach

The management regularly monitors the manpower requirements based on the status of the operations. It aims to provide an additional livelihood to the locals as much as possible to contribute to the improvement of the quality of life in the community.

Club Paradise has partnered with local groups by providing the materials for bracelet making as their additional source of livelihood. They make the Resort's welcome bracelets. The resort also agreed with the contractors to engage local workers in the construction to provide jobs for the local community.



RESOURCE MANAGEMENT

This section presents the energy consumption and reduction of the operating segment of the company.

Impact

Power generators are the main source of energy in Discovery Coron which is a costly generation of energy. Discovery Boracay sources its electricity from Akelco, a local distributor on the island. Energy consumption is closely monitored to assess the efficiency of utilizing energy resources.

	DISC	OVERY B	ORACAY	(DB)	DISC	OVERY (CORON (E)C)
Energy consumption within the organ	nization							
Disclosure	202	22	2023		2022		2023	
	Quantity	Units	Quantity	Quantity Units		Units	Quantity	Units
Energy consumption (Grid Electricity)	8,753	GJ	9,592	GJ	N/A	GJ	N/A	GJ
Energy consumption (Diesel Fuel)	3.53	GJ	4,773	GJ	14,889	GJ	20,548	GJ
Energy consumption (LPG)	318	GJ	392	GJ	1,814	GJ	864	GJ
Energy consumption (Petrol Fuel)	1.67	GJ	1,959	GJ	1457	GJ	2,561	GJ
Reduction of energy consumption								
Energy consumption (Grid Electricity)	N/A	GJ	N/A	GJ	N/A	GJ	N/A	GJ
Energy consumption (Diesel Fuel)	N/A	GJ	N/A	GJ	N/A	GJ	N/A	GJ
Energy consumption (LPG)	N/A	GJ	N/A	GJ	N/A	GJ	N/A	GJ
Energy consumption (Petrol Fuel)	N/A	GJ	N/A	GJ	N/A	GJ	N/A	GJ

Affected Stakeholders

Energy consumption of the Organization affects the employees, customers, management and the community.

Identified Risks & Opportunities

Loss of power can cause disruption of business activities. Failure to effectively maintain the power generators can cause higher costs of repair and maintenance and disturbance to staying guests.

Effective energy conservation, accurate and timely monitoring of data and evaluation of energy conservation programs will lead to increased energy efficiency, cost minimization, and lower environmental impacts.

The Organization is continuously taking steps in reducing energy consumption. LED bulbs are being used in all facilities and buildings. Energy Saving Devices (ESD) were installed in all villas. Energy consumption and maintenance of power systems are being monitored on a monthly basis. New generators were purchased for Discovery Coron while investing in renewable energy through the solar panel system is a pipeline project.

Management Approach

The Organization is committed in the conservation of energy through the following continuous initiatives:

- reducing use and operating hours of public area lightings depending on the occupancy percentage and areas/clusters without guests
- reducing operating hours of kitchen air conditioners and waterfalls at low occupancy
- reducing number of operating heat pumps at low occupancy
- unplugging all electrical equipment after office hours and shutting off lights, air conditioners and other electrical equipment on non-working days
- ensuring good running condition of electrical units to avoid consumption of more power
- all electrical equipment are regularly checked and cleaned

RESOURCE MANAGEMENT

Water Consumption

In 2023, water consumption of both properties increased subsequent with the increase of room nights and additional inventory for rooms.

Impact

The Organization is continuously enhancing its ways toward water conservation which saves energy and reduces carbon footprint. Discovery Coron operates a desalination plant, supplying a significant portion of the hotel rooms' fresh water requirements. Discovery Shores Boracay sources its water from the local water distributors, Boracay Island Water Corporation and Boracay Tubi System Inc.

Identified Risks & Opportunities

Shortage of freshwater supply in DC and the quality of water being delivered, if not consciously monitored can hamper its operation considering there is no available direct source of freshwater on the island.

	Disclosure	DISC	OVERY B	ORACAY (DE	3)	DISCOVERY CORON (DC)				
		2022		2023		2022		2023		
		Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units	
	Nater withdrawal*	O	m3	0	m3	5,960	m3	10,090	m3	
	Nater consumption	47,343	m3	51,754	m3	38,318	m3	48,598	m3	
	Water recycled and reused	O	m3	0	m3		m3		m3	

^{*-}Water withdrawal pertains to water extracted from the desalination plant; the remaining water consumed was from the purchase of water from suppliers.

Affected Stakeholders

Water consumption of the Organization affect its employees, customers and suppliers, and the community.

Treated water can be used for other purposes. Both properties have their own water treatment facilities which may enable the company to reuse treated water. Sea water desalination has the potential to reliably produce enough tap water to support the resort.

Management Approach

Both properties invested in their own water filtration system that converts tap water to clean drinking water (EcoPure water) for the guests and employees. Monitoring the sufficiency of water supply, periodic water sampling and water utilization tracker is being conducted on a regular basis to timely assess the goal of minimizing water utilization.

The Organization is staging ways toward water conservation and sustainable water supply. In mitigating the risk of a limited supply of fresh water, DC built a water desalination plant to sustain the supply of freshwater on the island.

The Organization is keen in practicably disposing wastewater. A sewage treatment plant (STP) was built at DC. Rainwater harvesting system were installed on the new buildings which is being used for basic bathroom water requirements.

RESOURCE MANAGEMENT

This section presents the materials used by the operating segment of the company.

Impact

The organization ensures thorough considerations of materials used, encompassing the design specifications, and product quality standards, and that they are elegant, sustainable, and resource-efficient.

Most of the materials used in Discovery Coron are made from renewable sources. The significant rise in renewable and non-renewable materials used was due to the improvement of operational activities during 2023.

Identified Risks & Opportunities

Non-compliance to environmental and safety standards. The use of non-renewable materials has negative effects in the environment as it contributes to pollution, global warming and etc.

Continuous innovation and further ways to use renewable materials will play an important role in sustaining the business.

	DISC	COVERY	BORACAY (DB)	DISCOVERY CORON (DC)							
Disclosure	2022		2023	202	22	2023					
	Quantity	Ouantity Units Quantity		Units	Quantity	Units	Quantity	Units			
Materials used by weight or volume											
 Renewable 	20,238	kg	10,151	kg	155,293	kg	253,679	kg			
	7,260	kg	8,660	kg	16,381	kg	19,239	kg			
 Non-renewable 	50,124,708	liters	14,196,631	liters	6,280	liters	21,155	liters			
Percentage of recycled input materials used to manufacture the organization's primary products and services		0/0		%		0/0		%			

Affected Stakeholders

The materials being used for the operations of the Organization affects its customers, the management and the community.

Management Approach

In order to help lessen the environmental impacts of materials used the Organization took the following initiatives: Use of take-out boxes, containers, and utensils made from paper, cornstarch, and sugarcane, use of take-out bags made from cassava starch, and use of toothbrushes made from biodegradable plastic. Bathroom amenities such as shampoo, conditioner, lotion, and body wash are food grade and are dispensed using refillable hand pumps to eliminate the use of plastic tubes.

One of the considerations in selecting our suppliers is that their materials are compliant with environmental and safety standards. Research on the use of more sustainable materials is being considered.

ECOSYSTEMS & BIODIVERSITY

This segment presents the operational sites under protected areas and species on conservation list.

Impact

The Organization operates in protected areas thus, it values the importance of biodiversity. Operational sites of the properties are being taken care of and nurtured. It promotes the preservation of ecosystems by protecting the members of the ecosystems and their habitats.

Identified Risks & Opportunities

Biodiversity loss contributes to climate change affecting the environment, vulnerable communities, and human health. Biodiversity creates a risk for the provision of quality infrastructures as it limits areas for project development.

Engage customers in activities related to the preservation and conservation of biodiversity in the company's properties.

Disclosure	DISCOVERY BORAC	CAY (DB)	DISCOVERY CORON (DC)				
	Quantity	Units	Quantity	Units			
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas			400 meters (Dimakya Island-waterlease)-200 (Diatoy Island-waterlease)-100 (Malpagalen Island-waterlease)-100	Meters			
Habitats protected or restored			34 Ha (Dimakya Island- 19; Diatoy- 14; Malpagalen -1)	Ha			
IUCN Red List species and national conservation list species with habitats in areas affected by operations			(7 - identified) Green Sea Turtle, Hawksbill Turtle, Palawan Flying Foxes, Fruit Bats, Monitor Lizard, Rufous Night Heron, Palawan Squirrel				

Affected Stakeholders

Those might be affected by loss of ecosystems and biodiversty include Employees, customers and community.

Management Approach

As part of the EcoConserve Program, Sea Guardians was established in DC. The activities of the group include: "Bantay Pawikan Movement" - Monthly Coastal and Underwater Clean-Up Drive - Collection of Crown-of-Thorns Starfish (COT); these activities are designed and implemented to protect Discovery Coron, which is within a Biosphere Reserve of the United Nations Educational, Scientific and Cultural Organization.

The Organization endeavors to continually take steps in promoting biodiversity as it helps attract more guests to its properties by complying with the environmental regulatory standards and integrating biodiversity as one of the key attractions of the properties.

Involve guests in some of the biodiversity programs through their direct participation. Guests may have a chance to see baby turtles during Turtle hatching at Dimakya Island. They also may have an encounter with sea cows, locally known as 'Dugongs' while diving or snorkeling.

SOLD & HAZARDOUS WASTES

This segment presents the total **solid wastes** generated, re-used, recycled
and composted by the company.

Impact

Solid wastes could have generally negative impacts on the overall operations and industry where the Organization belongs. DC was able to continuously reuse, recycle, and compost a large portion of its solid wastes.

Solid waste management includes collection, recovery of recyclables, composting of organic wastes, and transfer of residuals in the holding area.

Identified Risks & Opportunities

Improper disposal management of solid waste may harm the environment and human health. Penalties may arise for violation of solid waste management laws or local regulations.

Continues innovation on the use of other solid waste may still be appraised to further reduce the solid waste disposal to the designated municipal landfill facility.

	DISCOVE	DISCOVERY BORACAY (DB)					DISCOVERY CORON (DC)					
Disclosure	2022		202	23	2022	2	2023					
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units				
Total solid waste generated	19,679	Kg	11,486	Kg	89,587	Kg	76,183	Kg				
Reusable	4,039	Pcs	2,470	pcs	18,157	Kg	731	Kg				
Recyclable	4,850	Kg	2,879	Kg	22,027	Kg	6,795	Kg				
Composted	4,123	Kg	2,642	Kg	39,343	Kg	56,160	Kg				
Incinerated		Kg	0	Kg	O	Kg		Kg				
Residuals/Land filled	6,667	Kg	3,495	Kg	10,060	Kg	12,497	Kg				

Affected Stakeholders

Solid waste may have a negative impact to the employees, guests and the community.

Management Approach

The Organization continuously implements a simple "segregation at source" scheme of waste by providing waste collection bins at the beach and public areas, room accommodations, bars and restaurants, lobby and receiving area, administration office, and other public areas.

Solid wastes are being monitored on a regular basis to achieve targets for waste reduction. Restaurants ensure that recyclable wastes generated are being used again to reduce solid waste that needs to be disposed of. Segregation of solid wastes is strongly practiced by the Organization not just to comply with existing regulations but also to provide a pleasant environment conducive to work and leisure. Solid waste disposals are monitored on a daily basis through the Disposal of Waste Monitoring Sheet of the GarMa (Garbage Management) Committee of the ECOCONSERVE Initiative.

The Organization is committed to continue its advocacies to minimize solid waste disposal. Some solid wastes from the kitchen operations are being used as organic fertilizer in the farm operations of the properties or solid wastes from other hotel amenities might still be repurposed into additional creative products.

SOLD & HAZARDOUS WASTES

This segment presents the total hazardous wastes generated and transported by the company.

Disclosure	DISCO	VERY B	ORACAY (DB	DISCOVERY CORON (DC)					
	2022		2023		2022		2023		
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units	
Total weight of hazardous waste generated	25,619	kg	15,352	kg	15,431	kg	670	kg	
Total weight of hazardous waste transported	25,341	kg	14,219	kg		kg	15,627	kg	

Impact

Improper disposal/ discharge of hazardous wastes harms human health and the environment. The Organization's hazardous wastes include used oil from generator sets, used cooking oil, electrical wires, and cables, grease oil, mercury-based busted lamps, paint containers, spray paints, refrigerants, pathological/ infectious wastes, lead compounds, and oil-contaminated materials.

Identified Risks & Opportunities

Failure to manage hazardous waste harms the environment and human health specifically populations living near the dump sites and may potentially cause either fire or explosion, if not discharged properly. Penalties arising from regulatory compliance may damage the Organization's reputation.

The Organization continues to expand its knowledge-base and network required to improve hazardous waste management. Ways to reduce the generation of hazardous wastes are being explored.

Affected Stakeholders

Hazardous waste may impact the Organization's employees, community, suppliers, government, quests.

Management Approach

The Organization strongly values its environmental responsibilities thus, Solid and Hazardous Waste Management Procedures are implemented which include storage, proper labeling, handling and collection, final treatment, and disposal to prevent its negative impact on health and the environment. Hazardous wastes generated by the properties are handled and suitably managed in compliance with the requirements of the DENR- Environmental Management Bureau.

Sustainable practices such as organic farming, sewage treatment facilities, proper labeling, handling, segregation, treatment, and disposal of hazardous waste as stated in the Organization's procedures and employee awareness training are consistently implemented.

Providing technical assistance and implementing the right tools are important components of the reduction program through the help of an expert or technologically advanced machinery.

BRAUBIS

This segment presents the total water and wastewater discharges of the company.

	DISCO	ORACAY (DB	DISCOVERY CORON (DC)					
Disclosure	2022		2023		2022		2023	
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units
Total volume of water discharges	43,131	m3	46,476	m3	11,536	m3	17,155	m3
Percent of wastewater recycled	N/A	m3	N/A	m3	N/A	m3	N/A	m3

Impact

Wastewater (Effluent) is too valuable to throw away since untreated wastewater can have a serious and detrimental impact on the environment. The harvest of water may eventually drain the natural water supply and produce unusable (wastewater) by-products. The immediate effect of wastewater is that when it contributes toward the contamination of natural aquidfers which eventually affects water quality within known habitats and wildlife sanctuaries.

Identified Risks & Opportunities

Poorly treated wastewater can contribute to the depletion of oxygen and increase in demand level on the receiving body of water and can cause problems to water quality and food supply.

Wastewater recycling of the 80 - 90% of water usage that passes through the Sewage Treatment Plant can be one of the tools of the management in its resource efficiency program.

Affected Stakeholders

Wastewater can affect the management, employees and guests.

Management Approach

Both properties discharge their wastewater in a manner compliant with the requirements of the environmental regulatory agency. Water discharges are secured with a permit from the authority. Aside from the water quality monitoring performed by DENR, both properties conduct internal testing of their water sample. Wastewater from the resorts is transferred to a septic tank and pumped to an anaerobic baffled reactor (ABR) for biological treatment.

The organization ensures that the Sewage Treatment Plant is running in good condition daily by implementing preventive maintenance scheduling, STP operators training, and monthly testing of wastewater.

The quality of water discharge should be regularly assessed for proper wastewater recycling technology. DC built a rainwater collection system that will provide additional sources of water on the island for watering plants and flushing in comfort rooms.

ENVRONMENTAL COMPLIANCE

This segment discloses the number of non-compliances with environmental laws including fines paid by the company.

	DIS	SCOVERY E	ORACAY (D)B)	DISCOVERY CORON (DC)				
Disclosure	2022		2023		2022		20	23	
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units	
Total amount of monetary fines for non-compliance with environmental laws and/or regulations		PhP		PhP	70,000*	PhP		PhP	
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations		#		#		#		#	
No. of cases resolved through dispute resolution mechanism	O	#		#	O	#	0	#	

^{*}Due to late processing and submission of discharge permit and implementing the expansion without an amended Environmental Compliance Certificate.

Impact

The Organization is committed to complying with all regulatory requirements of the environmental governing bodies. There were non-compliance with Environmental Laws and Regulations for both properties thus no penalties were needed to be paid.

Identified Risks & Opportunities

Penalty charges may be charged for failure to comply with all environmental laws and regulations. Increasing environmental legislation/regulatory requirements may impose limitations on property development.

All "Green Job" employees across the organization tasked with dealing with environmental compliances are continuously updated on the environmental requirements and procedures through seminars, refresher courses, and the like to ensure that compliance is pre-empted and avoid unnecessary fees.

Affected Stakeholders

Environmental non-compliance can have an impact to the management, employees, community, suppliers and the government.

Management Approach

To further ensure environmental compliance, the organization created and implemented Environmental and Safety Program Policies. Individuals such as Pollution Control Units are being held responsible for mitigating compliance failures.

The Organization is continuously taking steps and implementing policies to mitigate the risk of being exposed to violation of environmental laws. It is committed to research to understand the implications of any additional regulatory requirements on its future developments.

The organization may implement more awareness programs on environmental compliances to be participated by the employees.



This section presents the employee data as of December 31, 2023.



Impact

The Organization gives credence to employees as its best asset. Hiring and retaining competent and dedicated employees are the core of its employee management. An effective employee management system helps in greater workforce productivity, recognizes ways to engage and retain good talents, and alleviates difficulty in filling out vacant posts. Lower attrition rates and reduced transition periods also help in the efficient discharge of services.

	DISCO	VERY B	ORACAY	(DB)	DISCOVERY CORON (DC)					
Disclosure	202	2022		2023		2	2023			
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units		
Employee Data										
Total number of employees	123	#	131	#	80	#	94	#		
a. Number of female employees	65	#	61	#	31	#	33	#		
b. Number of male employees	58	#	70	#	49	#	61	#		
Attrition rate	28	%	2.78	%	11	%	16.84	0/0		
Ratio of lowest paid employee against minimum wage	0:00	ratio	0:00	ratio	0:00	ratio	0:00	ratio		

Management Approach

The management through its Human Resource Department (HRD) develops various policies and programs to engage, retain, and attract good employees. HRD ensures that employees are well compensated and that their efforts are rewarded, promoting a culture of loyalty.

Aside from employee benefits required by laws and regulations, employees enjoy other company-initiated benefits.

This section presents the employee benefits as of December 31, 2023.

Identified Risks & Opportunities

Positions that require technical skills are sometimes not available in the locality where the property is located. A shorter length of stay for hired applicants from cities. Remote or home-based jobs cause a risk of attrition since the employees desire for safer, more stable, and more convenient jobs.

Succession Planning is continuously being strengthened by the Organization, especially for leadership posts given the location and employment set-up of the properties. Inculcating company values and rewards to the employee would be an opportunity to lessen the risk of attrition and at the same time strengthen its brand value.

Management Approach

The organization gives benefits sufficient to retain and attract good employees especially for positions that require specialized skills. Regularly reviews of compensation and benefits, applicable employee engagement and mental health programs are being implemented.

Continuous conduct of training, seminars, and knowledge sharing is in place. These will help in effective succession planning to develop competent leaders among the employees. Through employee engagement activities, company values are instilled in the employees.

* Only Director level and up are entitled.

** Only Asst. Manager level and up are entitled. Subject to one meal a day policy

	DISCO	VERY B	ORACAY	/ (DB)	DISCOVERY CORON (DC)			
		# of	employe	es who	availed fo	or the y	/ear	
Disclosure	2022		2023		2022		202	3
	Female	Male	Female	Male	Female	Male	Female	Male
Employee Benefits								
SSS	17	29	1	1	1	11	1	0
PhilHealth	4	0	1	O	0	O	0	0
Pag-ibig	20	10	0	0	0	0	0	0
Parental leaves	O		0	1	0	0	0	0
Vacation leaves	44	46	46	43	19	33	23	45
Sick leaves	34	16	33	15	6	4	9	10
Medical benefits (aside from PhilHealth)	24	16	37	19	31	49	23	45
Retirement fund (aside from SSS)	1	1		O	O	0	0	0
Further education support	O	0	0	0	0	O	0	0
Special leave benefit for women	O	N/A	0	N/A	1	N/A	0	N/A
Uniform allowance	O	0	0	0	0	0	0	0
Executive check-up*	O		0	2	0	1	1	0
Mobile load allowance	8	16	19	14	4	10	5	14
Bereavement leave	0	2	1	1	0	0	0	0
Outlet meal**	15	9	17	12	4	10	5	14

This section presents the **employee training and development** of the company.

Impact

Employee training and development give the employees the learning opportunities that they need in order to extend what they know into greater knowledge. It helps in the development of their strengths and in addressing their weaknesses in their respective functions. It also improves retention rates.

Identified Risks & Opportunities

Incompetency of employees due to lack of training could lead to complaints of "poor" performance and could affect the image of the company. Lack of training may cause reduced employee productivity as employees may become less innovative.

The positive impact of training is it introduces and enhances consistency and again improves productivity and builds lasting employee-employer relationships. It is a potential pool for future key leaders that can be hired from the organization's current employees. Training can also be used as a form of employee engagement activity that will help the organization retain its employees.

	DIS	COVERY	BORACAY (D	B)	DISCOVERY CORON (DC)				
Disclosure	20	2022		2023		2022		23	
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units	
Total training hours provided to employees									
a. Female employees	1,681	hours	1,842	hours	160	hours	1,133	hours	
b. Male employees	2,334	hours	2,653	hours	160	hours	3,159	hours	
Average training hours provided to each	employees								
a. Female employees	34.31	hours	9.5	hours	5.16	hours	16.66	hours	
b. Male employees	32.42	hours	9.5	hours	3.26	hours	22.25	hours	

Include seminars regarding organizational development, employee management, health & wellness, branding, security & safety and the like.

Management Approach

Training policy is established to guide the organization in implementing training programs for the employees.

Training is documented including attendance to monitor and assess the training requirements of each employee.

A post-training evaluation form is also implemented to review the level of skills and learning acquired from the training.

The consistent implementation of training programs and validation through measures of success mitigates the risk of employee incompetency is being ensured by the Organization. Instilling the benefits of training and seminars to the employees is also being ascertained by the Organization.

The quality of trainers is also being assessed by the Organization. Management implements the "train the trainers' workshop" as a tool to develop future key leaders. The management values rewards and recognition as one of the major aspects of retaining employees.

This section presents the **labor- management relations** data of the company.

Impact

There is no Collective Bargaining Agreement (**CBA**) between the organization and its employees.

Employee-related policies are being discussed with the employees as part of the onboarding procedures. Employee-related policies are also readily available and accessible to concerned employees of the Organization through the Human Resources

Department.

Identified Risks & Opportunities

Labor unrest as risk in labor-management relations is very unlikely to happen.

Though there are no threats to labor unrest, the management shall continue to build a balanced employer-employee relationship with its employees.

	DISCO	VERY E	BORACAY	(DB)	DISCOVERY CORON (DC)			
Disclosure	2022		2023		2022		2023	
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units
% of employees covered with Collective Bargaining Agreements	N/A	0/0	N/A	%	N/A	%	N/A	%
Number of consultations conducted with employees concerning employee-related policies		#	2	#		#	1	#

Management Approach

Terms and conditions of employment regarding rates of pay, hours of work, or other working conditions of employees are clearly expressed in the contract and agreed upon by the employee. Any changes in the contract or employment conditions are supported by Personnel Action Notice, memorandum, and other corresponding documentation being made known to the concerned employee.

Risk of labor unrest is prevented through an interactive and open communication channels to the employee for their employment grievances. A monthly town hall engagement being conducted by the properties also provides the employee the opportunity to raise their concerns.

Wider, fair and more accessible communication channels are being made available to the employees in raising their concerns relating to labor.

This section presents the **diversity and equal opportunity** data of the company.

Impact

Diversity in the Organization can drive workplace productivity. The Organization ensures that employees are well represented from diverse groups as to gender, age, and community. The organization promotes diversity and equal opportunity in the recruitment and selection of employees.

Identified Risks & Opportunities

Lack of diversity can unintentionally create a hostile working environment and can give rise to higher turnover. Employees might not be aware and cognizant of cultural sensitivity, to achieve harmony within a diverse workplace.

The company may take into account the social, economic and political factors in defining its management aspects and measures that relate to the recognition and benefits of diversity.

	DISCO	VERY E	BORACAY (DISCOVERY CORON (DC)				
Disclosure	2022		2023		2022		2023	
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units
% of female workers in the workforce	49	%	46.6	%	39	0/0	30	%
% of male workers in the workforce	72	%	53.4	%	61	0/0	62	%
Number of employees from indigenous communities and/or vulnerable sector*	2	#	3**	#	3	#	3***	#

Management Approach

The Organization condemns discrimination in the workplace thus it ensures that there's no incident of discrimination in the workplace relating to one's status, gender, or race. Hiring policy includes no restriction on age, gender, and experience. HR policies against discrimination are also in place.

The Organization makes its employees feel the need to be aware of how to coexist with a diverse range of people. Sensitivity in the workplace training helps the organization manage diversity and helps employees understand their own cultural biases and prejudices.

To promote diversity and equality, the organization shall implement a diversity management strategy that promotes the openness and learning ability of the organization taking into account intercultural understanding and the intercultural skills of the employees.

^{*} Vulnerable sector include solo parents among others.

^{** 1} Solo Parent and 2 members of Ati community.

^{***} Solo Parents.

WORKPLACE CONDITIONS, LABOR STANDARDS, AND HUMAN RIGHTS

This section presents the **safety man-hours for occupational health and safety** of the
employees.

		DISCOVERY	BORACAY (DB)		DISCOVERY CORON (DC)					
Disclosure	2022		2023		20	22	2023			
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units		
Safe Man-Hours	62, 568	Man-hours	330, 528	Man-hours	342,376	Man-hours	157,240	Man-hours		
No. of work-related injuries	1	#	2	#	0	#	1	#		
No. of work-related fatalities		#		#	0	#		#		
No. of work related ill-health	0	#		#	0	#	0	#		
No. of safety drills	4	#	12	#	9	#	12	#		

Impact

The Organization highly values occupational health and safety within the workplace. Protecting the employees from accidents, injuries and other workplace accidents is the utmost priority of the Organization. Safety in the workplace drives efficiency and improves employee relations and morale which equates to positive productivity.

Identified Risks & Opportunities

The Organization considers cost-sharing and uphold legal responsibility associated with accidents and major injuries within the workplace which will also result in man-hour loss and less productivity.

The organization may strive to transform its complex safety and health ideas into workable actions and strengthen its process of identification, monitoring, and assessment of the risk associated with workplace hazards.

Management Approach

The management is compliant with the requirements mandated by law through the Department of Labor and Employment (DOLE) in providing healthy and safe workplace conditions. Work permit system, safety inspection, and reporting system for incidents/accidents are implemented. Healthful and safe workplace condition is enjoyed by the employees of the organization through effective Occupational Health and Safety practices implemented by its Resort Occupational Physician and Safety Officer. Injuries are being taken seriously and applicable medical needs where being prescribed.

The properties also employ corresponding Occupational Health and Safety practitioners and other concerned personnel who are tasked to ensure occupational health and safety in the workplace.

WORKPLACE CONDITIONS, LABOR STANDARDS, AND HUMAN RIGHTS

This section presents the labor laws and human right data of the company.

Impact

Labor laws play an important role in the workplace.

The Organization highly complies with all the stipulations and obligations required by Labor laws.

The Human Resources Department monitors its compliance with the existing labor laws and regulations. HR policies are implemented to secure that respect for human rights is being observed across the organization.

Identified Risks & Opportunities

Though the company has its policies in place in the protection of labor laws and human rights, it has limited scope only with the employees under manpower agencies. Despite this, agencies are obligated to comply to DOLE standards.

The organization may still enhance its compliance to labor laws and human rights by proper coordination with the manpower agencies.

	DISC	OVERY	BORACAY (DB)	DISCOVERY CORON (DC)			
Disclosure		2022		2023		2022		
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#	0	#	0	#		#

Policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace:

Topic	Y/N	Cite reference in the company policy
Forced labor	N	N/A
Child labor		N/A
Human Rights	■ ∀	Anti Sexual Harassment policy, Leave for victims of violence against women & children, Workplace policies and programs.

Management Approach

The Organization assures the implementation of sufficient policies upholding labor laws and human rights such as:

Anti- Sexual Harassment Policy; Whistle Blowing Policy; Conflict of Interest; Insider Trading; Workplace Policy and Program for Hepa B; Drug Free Workplace Policy & Program; Work Place Policy of TB Prevention & Control; Solo Parent Leave; Leave for Victims of Violence Against Women & Children; Special Leave Benefit for Women; Paternity Leave; Alcohol Free Workplace Program & Policy; HIV/AIDS Workplace Program & Policy.

The management monitors manpower agency compliance by requiring manpower agencies to submit certificate of compliance to labor laws. The properties shall have coordination meetings with the manpower agencies to align the company's labor laws and human rights practices.

SUPPLY CHAIN MANAGEMENT

This section presents the supplier accreditation data of the company.

Impact

The Organization is committed to transacting with legitimate suppliers only. It implements a supplier accreditation policy to manage its suppliers and ensure that those suppliers comply with ethical standards. The Organization is fully aware that transacting with suppliers who are non-compliant with environmental laws and labor laws related to forced/child labor and human rights is against its ethical principles.

Identified Risks & Opportunities

Reputational damage caused by engaging with non-compliant or illegitimate suppliers. Changes in the practices of suppliers resulting below the minimum standard will affect the supplies. The organization can improve on this topic by incorporating other sustainable criteria in its accreditation process.

DISCOVERY BORACAY and DISCOV	DISCOVERY BORACAY and DISCOVERY CORON								
Topic	Reference in the supplier policy								
Environmental performance	Section 5.1.5.6 of the Supplier Accreditation Policy								
Forced labor	N/A								
Child labor	N/A								
Human rights	N/A								
Bribery and corruption	N/A								

Management Approach

The properties have a supplier accreditation policy to manage their suppliers. Included in the checklist of accrediting a supplier is its environmental performance and compliance with laws and regulations. Suppliers undergo the accreditation process performed by the purchasing department and food safety officer. Among the considerations in the accreditation is the suppliers' environmental compliance. Included in the checklist of accrediting a supplier is its environmental performance and compliance with laws and regulations.

An audit of suppliers is conducted to ensure that all suppliers meet the standard criteria of the organization. The management ensures review and revision of the accreditation policy to integrate other criteria necessary for the achievement of sustainability.

RELATIONSHIP WITH THE COMMUNITY

This section presents the significant impact of the Organization to the local communities where the properties operate.



Disclosure	DISCOVERY BO	RACAY (DB)	DISCOVERY	CORON (DC)
Operations with significant (positive or negative) impacts on local communities *	Partnership with local third party suppliers and vendors **	Local Employment Hiring	Local Purchasing	Local Employment Hiring
Location	Malay	Malay, Aklan	Coron	Palawan
Vulnerable groups (if applicable)	Providing equal opportunities to members of the Ati Group	Local Employment	Providing equal opportunities to Single Parent	Local Employment
Does the particular operation have impacts on indigenous people (Y/N)? ***	N			N
Collective or individual rights that have been identified that or particular concern for the community	None	None	None	None
Mitigating measures (if negative) or enhancement measure (if positive)	N/A	N/A	N/A	N/A

^{* (}exclude CSR projects; this has to be business operations)

^{** (}e.g. recreation activities, water sports, health and wellness)

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

RELATIONSHIP WITH THE COMMUNITY

This section presents the data for operations affecting indigenous people (IPs) of the company.

Identified Risks & Opportunities

Disputes against the indigenous people may arise as they fear that they may lose their livelihood thinking that fishing grounds will be affected by the resort's operation. However, the existence of conservation efforts on the properties has had a continuous positive reception from both local and indigenous sectors of the community.

Further development in the properties as approved by the authorized government bodies will help the community to uplift people's lives while maintaining sustainability in the environment.

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

	DISCO	/ERY E	BORACAY	(DB)	DISCOVERY CORON (DC)				
Disclosure	2022		2023		2022		202	23	
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units	
FPIC process is still undergoing		#	0	#		#	0	#	
Certifications Preconditiones secured		#		#		#		#	

Management Approach

The Organization ensures that it maintain a good relationship with the local communities including the indigenous group nearby the properties. Before the application and implementation of the water lease, Free, Prior and Informed Consent (FPIC) with the Tagbanua is being conducted to the affected barangay.

The organization offers livelihood opportunities to its community through local employment and partnership with local third party suppliers and vendors (e.g. recreation activities, water sports, health and wellness) and engages them in promoting protection to environment and natural resources.

This section presents the **customer satisfaction data** of the company.

Impact

High customer satisfaction results in customer retention and well-built brand reputation this is what drives the Organization to make all its guests experience the service that's all heart. The Organization also values customer feedback which can help in making or enhancing its strategies when it comes to customer management.

Identified Risks & Opportunities

Negative customer feedback may bring bad reputation/brand perception on the company.

Negative feedback from customers can be taken by the organization as a means in improving its product and services for strong market standing and increase in market share and value.

	DISCOVERYB	ORACAY (DB)	DISCOVERY	CORON (DC)	Conducted by third
Disclosure	2022	2023	2022	2023	party conduct? (Y/N)?
Customer satisfaction	94.4%	94.8%	87.5%	90%	Yes. Conducted by Review Pro*

^{* -} Independent Online Property reputation survey- subscription basis

Management Approach

The company monitors customer feedback it receives through independent online surveys such as Review Pro, Trip Advisor, and Preferred Hotels & Resorts. Attention and reply to these feedbacks and reviews on different platforms are being timely administered. The company values customers' feedback as a mechanism to improve its product and services.

The organization constantly provides sufficient trainings and seminars to employees on handling customer's feedback. It also implements the following to protect its reputation in the hospitality industry.

- > Online reputation management
- > Social Media content enhancements
- > Promotion of service excellence
- > Disclosure of awards and recognitions

Areas for improvements can be identified and acted upon by gathering information regarding feedback to the organization's product and services.

This section presents the **customer health and safety** of the company.

Impact

The Organization ensures consistent application of standards in all aspects of the operation. All reported complaints were addressed accordingly

The organization ensures compliance with Health and Safety standards in its products and services through the implementation of its Health and Safety Policies and Procedures to protect the health and safety of the employees and customers.

Identified Risks & Opportunities

Violations, penalties, and damage to brand reputation due to non-compliance or failure to attain health and safety standards.

As part of enhancing customer satisfaction, addressing and resolving conflict/complaints relating to health and safety from the customers should be managed promptly and without delay.

	DISCOV	ORACAY ((DB)	DISCOVERY CORON (DC)				
Disclosure	2022		2023		2022		2023	
	Quantity	Units	Quantity	Unit s	Quantity	Units	Quantity	Units
No. of substantiated complaints on product or service health and safety**		#	3*	#		#	1*	#
No. of complaints addressed		#	3	#	0	#	1	#

^{*}Refers to Food safety-related complaints that were addressed accordingly.

Management Approach

Policies and Procedure for Food Borne Illnesses is also in place. F&B Manager and/or F&B Supervisor is responsible in gathering information from the complainant, and to ensure that all foodborne incidents are investigated, concluded, action taken and closed on a timely manner.

All employees are responsible to treat guests' complaints seriously by immediately reporting it to the property manager.

The Organization is monitoring at all times the strict implementation of all health and safety procedures.

Properties continuously make all their employees aware of their health and safety policies and procedures to ensure prompt assistance to customers' complaint on health and safety.

^{**}Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms and have been proven to have a well-grounded basis as well as complaints that were lodged to and acted upon by government agencies.

This section presents the **marketing and labelling** data of the company.

Impact

The Organization have not received or substantiated any complain on marketing and labelling. The Organization values high standards in promotional marketing and labelling thus, it guarantees that all activities in line with the marketing of the Organization's product and services are compliant with all the requirements.

Identified Risks & Opportunities

Unclear sales promotion mechanics often lead to customer complaints giving the public an impression that the company is giving false advertisement. Social media are now being used by many to raise their complaints with the result of damaging the public image of the organization without raising directly to the properties first.

Complaints from customers can be useful to the organization by using this as a tool in developing and enhancing company's practices in the marketing and labelling.

Disclosure	DISCOV	ERY B	ORACAY ((DB)	DISCOVERY CORON (DC)				
	2022		2023		2022		2023		
	Quantity	Units	Quantity	Unit	Quantity	Units	Quantity	Units	
No. of substantiated complaints on marketing and labelling		#		#		#		#	
No. of complaints addressed	0	#		#	0	#		#	

Management Approach

The organization has its Grievance Handling Policies & Procedures (P&P's) to resolve any complaints from the guest and other stakeholders. Several channels are also available to formally receive complaints from guests and other stakeholders. In case of substantiated complained, to appease the guests, the property creates special offers.

Though social media is not the proper venue to raise complaints, the organization reaches out to the complainants to address their concerns and proper explanations are made to the guest and immediate updating of the advertisements is done to avoid future complaints.

Complaints should be logged and documented by the organization and should be considered in developing business strategy.

This section presents the customer privacy of the company.

Impact

The Organization highly regards the customer privacy policies as violation of such could lead to legal proceedings. Complaints raised by guests are being handled accordingly based on the Data Privacy Policies of the Organization. Employees always observe customer privacy in dealing with the guests.

Identified Risks & Opportunities

Lack of awareness regarding data privacy may lead to data breaches. Penalties or legal proceedings due to violation of Data Privacy Act.

Awareness programs for all employees at all levels may be done to ensure full compliance of all data processors on the DPA.

	DISCOV	ORACAY (DISCOVERY CORON (DC)					
Disclosure	2022	2	2023		2022		2023	
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units
No. of substantiated complaints on customer privacy		#		#		#		#
No. of complaints addressed		#	0	#	0	#	0	#
No. of customers, users and account holders whose information is used for secondary purposes		#		#		#		#

Management Approach

The organization has its Grievance Handling Policies & Procedures (P&P's) to resolve any complaints from the guest and other stakeholders. The employees are also trained to respect customer privacy in dealing with the guests.

The Organization ensures that its registration with National Privacy Commission is monitored and updated accordingly. Data privacy programs are in place across the organization. Systems like anti-intrusion and penetration hardware are installed to ensure security of customer information.

Trainings initiated by NPC regarding data privacy for COPs and all data processors can strengthen its full compliance to DPA.

DATA SECURITY

This section presents the data breaches, lossess, leaks or thief of the company.

Impact

The organization strictly ensures data security in its operation by observing compliance with the rules and guidelines set by National Privacy Commission. No data security breaches have been identified since the Organization's inception.

Identified Risks & Opportunities

With the advent of computers and technology, data theft through cyber attack or hacking is a threat that may lead to data breaches. Data theft through cyber hacking can occur in vulnerable IT security controls.

Relying on technology in processing information across the organization can be a great tool in making processes more efficient but the organization should ensure data security in using more advanced technology.

	DISCOV	/ERY B	ORACAY (DB)	DISCOVERY CORON (DC)				
Disclosure	2022		2023		2022		2023		
	Quantity	Units	Quantity	Units	Quantity	Units	Quantity	Units	
No. of data breaches, including leaks, thefts and losses of data		#		#		#		#	

Management Approach

Data Privacy Officer thru Compliance Officer for Privacy in each resort implemented various programs to promote data security and prevent data leaks, thefts and losses such as Data Privacy Program, Grievance Handling P&P's and Data Privacy Briefing as part of new employee orientation to guide each employee in the collection, retention and use of sensitive information.

The management through its Information Technology department promotes data security by placing IT security features. Vulnerability Assessment and Penetration Testing is performed to determine the organizations vulnerability to cyber attack and identify any additional measures to enhance data security.

The management shall perform a periodic evaluation of the information system's vulnerability to allow assessments on any changes in the use of technology. Currently, the Organization is evaluating potential systems to integrate operations and accounting systems to cater more efficient processes, eliminate risk of human errors and minimize maintenance costs.



Discovery Hotels & Resorts (the Group) robustly commit to contribute to the SDG's by propelling sustainable livelihood and generation of local employment, responsible water consumption and production, organic farming, solid waste reduction and expansive coral farming among alll other initiatives.





Key Products and Services

Hotels and Resorts

Societal Value / Contribution to UN SDGs



Potential Negative Impact of Contribution

Locals may limit their career development to what is available in their community.

Management Approach to Negative Impact

Provide greater career opportunities and skills development.

EcoPure Bottled Drinking Water



Discovery Coron uses diesel to provide energy in running the water refilling station which may leave higher carbon footprint.

Refilling schedules are being managed to lessen the carbon footprint in the use of diesel.

Discovery World Resorts

Discovery Boracay

Discovery Coron

DC Taranuman Farm,
DB Taramnan Farm



The farm does not require chemically made pesticides to control pest in destroying the crops which may result to reduced production.

Organic fertilizers from solid wastes are used to achieve target production from the farm at a lower cost.

Bagasse Straws (made of sugarcane pulp), Packaging - made of paper, Binalot, Food utensils made of starch,

Take-out bags made of cassava starch



Higher overhead cost for replacing plastic with reusable and biodegradable materials.

Product prices are adjusted to recover additional overhead cost.

"A decade of sustainability in action"



Discovery World Resorts

Discovery Boracay

Discovery Coron

Key Products and Services

Local Merchandise
(Accessories, Shirts)

Selling of local merchandise
provides livelihood to the
locals and promotes the
culture of the people in the
community

(DC: "Bead and Bracelet Project", "Virgin Coconut oil from Brgy. Cheey")

Extracted Water from Desalination Plant as alternative source of "fresh" water

6 CLEAN WATER AND SANITATION

Societal Value / Contribution to UN SDGs



Potential Negative Impact of Contribution

Higher overhead cost
due to limited supplies
of merchandise from
the locals.

Management Approach to Negative Impact

Product prices are adjusted to recover additional overhead cost.

Discovery Coron uses
diesel to provide energy
in running the desalination
plant, thus, contributes to
increased levels of
greenhouse gases.

Running the desalination plant results to lower cost due to avoided costs of purchasing freshwater from the Coron town (fuel costs, boat rental and water cost). Moreover, diesel used in running the desalination plant offsets fuel in transporting water to the island and this will also provide more access to water by the local community.

"A decade of sustainability in action"



Discovery World Resorts

Discovery Boracay

Discovery Coron

"A decade of sustainability in action"

Key Products and Services

Mariculture of grouper and mud crabs as alternative and sustainable food source

Societal Value / Contribution to UN SDGs



Potential Negative Impact of Contribution

The culture cages does not require formulated fish feeds which may result to reduced production and longer time to reach market size.

Management Approach to Negative Impact

Fish feed ratio and frequency is enhanced thus requiring, presence of culture cages to combat overharvesting of wild stock population and ensure food security.

"Bili Ani Program";

Community engagement of purchasing local harvest and produce of backyard farming from local communities



10 REDUCED INEQUALITIES









Encourage farmers/ farm

tenders not to use chemically

made pesticides to control

pest in destroying the crops

which may result to reduced

production

Organic fertilizers from ecological solidwastes are used to achieve target production from the farm at a lower cost.

"Adopt-Biik Program";

Initiative for to supplement
local supply of fresh pork meat
amidst the increasing
pressures brought about by
the impacts of Asian Swine Flu
(ASF) virus



10 REDUCED INEQUALITIES









Higher overhead cost for raising of piglet (swine) from local communities engaged in the program.

Product prices are adjusted to recover additional overhead cost.



Leading the Discovery's Sustainability Team

Jose C. Parreño, Jr. President, Discovery World

Erwin Peter Z. Lopez Hotel Manager, Discovery Boracay

Joegil Magtanggol M. Escobar Hotel Manager, Discovery Coron

Thet Gubatan Head of Environment, Health & Safety (EHS)

> Erlito Z. Parangue Risk & Audit Officer

Jules Jason C. Asis EHS & Sustainability Manager, Discovery Coron

Key Products and Services

Ban on Single Use Plastics (SUPs) - An ECOCONSERVE initiative to combat use of single use plastics, minimize production of harmful plasticbased wastes

Biomimicry architecture climate change adaptation strategies in order to reduce "Heat Island effect"

"Cheers for Chairs Project" -

Fund drive for the Brigada Eskwela Program to support cost of fabricating long chairs for the senior high school students enrolled for the Technical and Vocational subjects of local high schools

Societal Value / Contribution to UN SDGs



3 GOOD HEALTH AND WELL-BEING

13 CLIMATE ACTION

QUALITY EDUCATION

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Higher overhead cost for using nature-based materials (dried grasses for alternative primary roof cover material).

Discovery Coron uses diesel

Management Approach to Negative Impact

Product prices are adjusted to recover additional overhead cost.

recover additional overhead cost.

to provide energy in operating machine and/or equipment in fabricating chairs which may leave

higher carbon footprint.

Potential Negative

Impact of Contribution

Higher overhead cost for

replacing plastic with

reusable materials.

Product prices are adjusted to

Fabrication schedules area being managed to lessen the carbon foorprint in the use of diesel.

