

Annex A: Reporting Template

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

Contextual Information

Company Details	
Name of Organization	2GO Group Inc.
Location of Headquarters	8th Floor, Tower 1, Double Dragon Plaza, Macapagal Boulevard corner EDSA Extension, Pasay City 1302, Philippines
Location of Operations	2GO Group Inc. including its subsidiaries is operating nationwide across the Philippines
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	2GO Group, Inc. and its subsidiaries, namely: 2GO Express, Inc. 2GO Logistics, Inc. Special Container Value-Added Services, Inc. Scanasia Overseas Inc.
Business Model, including Primary Activities, Brands, Products, and Services	<p>2GO GROUP, INC. enables the movement of goods and people throughout the Philippines. It is the largest end-to-end transportation, logistics, and distribution provider in the country. At its core are six business units, namely 2GO Sea Solutions, 2GO Special Containers and Value Added Services (SCVASI), 2GO Express, 2GO Forwarding, 2GO Logistics and ScanAsia Overseas.</p> <p>Owned by SM Investments Corporation, one of the country's largest conglomerates, 2GO offers multimodal transportation, warehousing and inventory management, distribution, special containers, and project logistics as well as e-commerce logistics, including last-mile deliveries, and express courier deliveries. 2GO also provides sea travel, and a wide range of peripheral logistics such as freight forwarding, import and export processing, and customs brokerage. 2GO leverages on all its services to create unique supply chain solutions for all its customers.</p> <p>Backed by 148 years of expertise in transportation and logistics, 2GO has made a mark for providing the best travel experiences, efficient movement of products and cargoes, and for catalyzing business growth in domestic and international markets.</p>

SERVICES

2GO SEA SOLUTIONS is the largest, most modern ROPAX operator in the Philippines, with 8 ROPAX vessels, 1 freighter vessel, and 17 ports of call. It offers speed, schedule reliability, and voyage frequency. 2GO optimizes capacity and operational processes to be able to respond to the opportunities presented by the consumer-driven Philippine economy. It also offers an enhanced and unique onboard experience for sea travel.

2GO SPECIAL CONTAINERS AND VALUE-ADDED SERVICES (SCVASI) is the largest operator of cold-chain containers and ISOtanks in the country. It leverages on Sea Solutions' strength of schedule, reliability and speed. SCVASI's project logistics business, 2GO Projects, continues to see opportunities in moving and lifting oversized cargo for clients across varying sectors such as, but not limited to, power, telecommunications, mining, and property.

2GO EXPRESS capitalizes on its broad network and caters to different delivery formats to meet the requirements of our customers in a timely manner, while also enabling the surge of B2C and C2C growth. It serves the pick-up and delivery of documents, parcels and last-mile e-commerce with a courier base fleet of more than 2,000, operating in hubs in 33 key locations and partnering with 63 delivery agents nationwide. 2GO Express is also the largest local partner of FedEx, with pickup of international outbound and delivery for international inbound served. FedEx services are sold in 2GO Express locations nationwide. With investments in technology for further efficiency, 2GO Express is looking forward to expanding its operations to serve the growing B2C and C2C markets.

2GO FORWARDING is a partner in the movement of goods through air, sea and land, including international forwarding. It is specialized in handling for FMCG, automotive, pharmaceuticals, including perishable medicines, industrial and fragile items, and other B2B transfers. It capitalizes on the integrated mode of transfers within the 2GO network and its partners nationwide.

	<p>2GO LOGISTICS supports inbound and outbound logistics. It manages warehouse and transport activities that enable all logistic needs, from production to delivery. 2GO has a nationwide fleet of over 1,400 transportation vehicles under management, and a total of 54 warehouse and hub facilities that are strategically located around the archipelago. 2GO also uses a globally recognized Warehouse Management System (WMS) that fully integrates and streamlines the supply-chain infrastructure. The WMS automated warehouse processes enable complex piece picking operations with a high degree of accuracy. At 2GO, we introduce technology as well as specialized operational skill sets to cater to the verticals and services we want to support. We are confident and optimistic of the growth that our lean and agile operating structure will capture in a sector full of abundant opportunities.</p> <p>2GO DISTRIBUTION, also known as ScanAsia Overseas, is the leader in the distribution of pharmaceutical and retail products in the drugstore. We disperse a breadth of categories from infant formula, adult milk, personal care, home care, dairy, pet food, confectionaries to over 3,000 doors nationwide. ScanAsia plans to further improve its operational efficiencies and aims to continuously improve the product availability and visibility of all ScanAsia brands to delight its principals, customers, and consumers.</p>
Reporting Period	January 1, 2022 to December 31, 2022
Highest Ranking Person responsible for this report	Mercy Grace Dionisio

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

Materiality Process

An in-depth materiality assessment was conducted by engaging identified stakeholders of 2GO Group Inc. Last materiality assessment of the organization was conducted in 2020 wherein critical areas that we need to focus on in order to deliver excellent service to our customers as well as material topics that have greatly impacted the stakeholders through the pandemic were identified. These topics are deemed to be still relevant to business up to this date.

2GO Stakeholders	Mode of Engagement	What Matters Most to our Stakeholders	2GO Commitment
Customers & Clients	<ul style="list-style-type: none"> • Various Customer Touchpoints • Online Surveys 	<ul style="list-style-type: none"> • Product/ Service Reach, Accessibility and Visibility • Customer Welfare • Customer Data Privacy 	Continuous system enhancement
People	<ul style="list-style-type: none"> • In person discussions • Annual Performance Review • Online Surveys • Townhall meetings • Coaching and Training 	<ul style="list-style-type: none"> • Employee Development, Career Growth • Occupational Health and Safety 	Internal and external training opportunities Adequate health and work benefits
Investors	<ul style="list-style-type: none"> • Annual Stockholders Meeting • Investor Meetings 	<ul style="list-style-type: none"> • Economic Performance • Compliance and Governance • Adapting to COVID-19 	Transparent and timely disclosures
Suppliers and Service Providers	<ul style="list-style-type: none"> • Vendor accreditation • Regular correspondence • Online Survey 	<ul style="list-style-type: none"> • Occupational Health and Safety • Customer Welfare • Product Reach, Accessibility & Viability 	Safety trainings Vendor selection process
Socio-Civic Partners	<ul style="list-style-type: none"> • CSR joint projects • Online survey 	<ul style="list-style-type: none"> • Sustainable Operations • Community 	Partnership for social development programs

		Involvement	
Media Partners and Analysts	<ul style="list-style-type: none"> • Media Briefings • Corporate Events 	<ul style="list-style-type: none"> • Economic Performance • Employee Development • Occupational Health and Safety • Compliance and Governance 	Transparent and timely disclosures
Regulators	<ul style="list-style-type: none"> • Conferences and external events • Regular Correspondence 	<ul style="list-style-type: none"> • Compliance and Governance • Sustainable 	Transparent and timely disclosures



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|-----------------------|----------------------|--|
| Product Reach | Business Process | Employee Well-Being, Health and Safety |
| Customer Centrality | ESG Compliance | Sustainable Supply Chain |
| Customer Data Privacy | Job Creation | Digitalization |
| Economic Performance | Employee Development | |

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount <i>in Millions</i>	Units
Direct economic value generated (revenue)	19,333	PhP
Direct economic value distributed:		
a. Payment to suppliers and other operating costs	15,696	PhP
b. Employee wages and benefits	1,377	PhP
c. Payments to providers of capital	482	Php
d. Payments to government	341	PhP
e. Investments to community (e.g. donations, CSR)	2	PhP

What is the impact and where does it occur? What is the organization's involvement in the impact?

As the largest integrated transportation and logistics provider in the Philippines, 2GO facilitates economic activity in the country.

Our businesses directly support 2,048 jobs. Other employment opportunities are created from our business operations through our service partners and third-party service providers. Aside from these, we also provide jobs to our suppliers and their employees.

Our investors are given their due returns on their investments in our company. We also ensure that our business operations comply with the tax payment regulations set by the government, and that our financial gains are distributed to all our other stakeholders.

In 2022, Php 17.9 billion, from 2GO's revenue, were distributed back to society or our key stakeholders. Of this, 88% is distributed to suppliers in the form of payments, 8% to Employees through wages and benefits, 3% to Investors for returns on their investments, 0.01% to Communities through donations and other CSR initiatives, and 2% to the Government in the form of taxes.

Our nationwide presence all over the country shapes our financial performance and how we contribute to the local areas where we operate through the various opportunities we provide to our stakeholders.

What are the Risk/s and opportunities Identified?

As the economy continue its path to recovery from the aftermath of the Covid pandemic, in 2022 restrictions have been lifted and economic activities had returned back to normal. This resulted to increased demand on transportation and logistics services to move not only goods but also people in various parts of the country. This is deemed to be both a risk and opportunity for the company.

Which stakeholders are affected?

The following are affected by 2GO's economic performance

- Investors
- Shareholders
- Employees
- Clients/
- Customers
- Suppliers
- Communities

Management Approach on Impact, Risk/s and Opportunities

2GO Group, Inc. delivered a strong performance in 2022 with revenue growth of 25% posting a turnaround profit of Php312 million on the back of Php19.3 billion in revenues. 2GO benefitted from the lifting of movement restrictions and the normalization of economic activity in the country. The country's economic re-opening from the restrictions brought by the Covid pandemic increased the demand for transportation and logistics services to move goods and people across the country.

2GO's strong performance was driven by increased growth across its major business lines. The highest revenue growth came from our passenger Travel business with 217% revenue growth followed by revenues from Shipping which rose by 67% complemented by a 48% increase in Sea freight revenues, as there was an observable increase in the volume of goods shipped to Visayas and Mindanao due to the lifting of movement restrictions. Logistics and other services revenue grew 30%, led by the growth in cold chain services, forwarding, e-commerce fulfillment, and its international courier business.

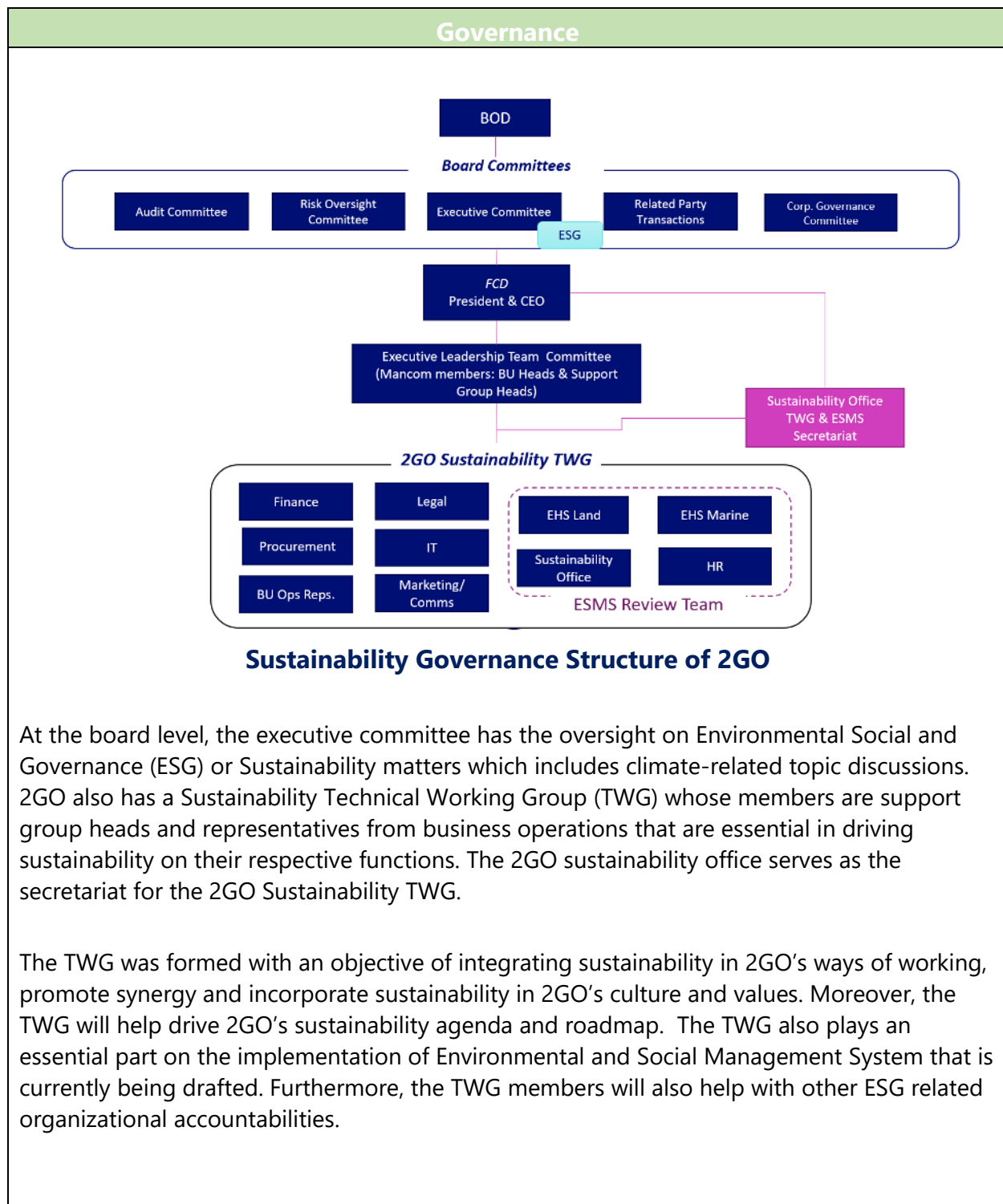
Apart from the increase in service demand, 2GO's profitable growth in 2022 was driven by the structural changes and financial discipline that was put in place.

2GO also continues to make bold investments as it thrives to be the best-in-class logistics and transportation provider in the Philippines. 2GO continues to modernize its operations to improve customer experience and strengthen services. One of 2GO's business units, 2GO Express, invested in an automated sorting machine, transport management systems, and vehicle routing systems, to better handle operations amid rising demand for its services. As

part of its fleet modernization plan, 2GO invested in two (2) modern vessels in 2021, namely MV 2GO Masagana and MV 2GO Maligaya. These two vessels are currently the largest roll-on/roll-off passenger vessels in the country. Both vessels are equipped with top-notch safety and navigation systems as well as passenger amenities. 2GO still plans to acquire more fuel-efficient and more environmentally friendly vessels in the coming years. Also, In preparation for the return of travel and tourism, 2GO ships and port operations have been upgraded to provide passengers with an enhanced onboard and terminal experience.

Our investment in technological initiatives, digitization, and automation not only helped us meet the growing demands of the customers but also increased our operational efficiencies resulting in higher service levels.

Climate-related risks and opportunities¹



Strategy

2GO has implemented different strategies to address its climate-related risks and opportunities. These strategies are aligned with our purpose of providing end-to-end transportation, logistics and distribution solutions to our clients.

2GO has been implementing several initiatives to lower its emissions and impact to the environment. One of which is the implementation of transportation management and route optimization systems such as Fareye. Fareye, currently being used by 2GO Express, is a platform that enables 2GO to optimize its logistics operations and make seamless and better deliveries to its customers. On the other hand, for land transport, 2GO has been using Infor Transport Management System (TMS) for planning and route optimization. Through the use of these technological systems, unwanted miles are reduced thereby increasing operational efficiency, cutting our operating cost from fuel and reducing our carbon emissions.

Moreover, all of 2GO owned-trucks are Euro 4 compliant which is said to be ten (10) times cleaner than Euro 2 with a lower level of air pollutants such as sulfur and benzene. 2GO drivers were also trained with ECO fuel driving techniques thereby lowering vehicle's fuel consumption and carbon emission. As for 2GO's mechanical handling equipment, 50% of the total forklifts used in operations are electric such as counterbalance, power lifter and reach truck.

And for the packaging materials for goods, 2GO Express uses biodegradable pouches for delivery of items that weigh 3kg and below. Likewise, 2GO logistics employs recycling of cartons that are used for protection of goods delivered to customers.

As part of Good Corporate Citizenship, looking after the environment is integrated in 2GO Brand Core Values. The Group acknowledges the need to be responsible to our resources, may it be environmental, financial and people. We make sure to manage our resources, with sustainability at the forefront.

Long-term strategies allow 2GO to look at the potential business impact of the risks and opportunities and create the mitigating actions and act on opportunities if so requires. In 2022, 2GO created a Business Continuity Plan (BCP) that would help prepare a line of defense that would minimize impact and restore normal operations and service delivery as quickly and safely as possible after occurrence of an unplanned event may it be natural or man-made cause.

The objective of the BCP is to

- Minimize and Ensure the safety of colleagues, workers, contractors and the general public.

¹ 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.

- Minimize impact upon the IT Infra
- Meet the customers requirements through continuity of service
- Maintain a strong financial position and acceptable levels of cash flow & profit
- Protect and perpetuate a positive corporate image
- Comply with legal and regulatory directives
- Minimize losses and liabilities
- Achieve a full recovery of business operations

Risk Management

Our environmental and climate-related risk management are integrated in 2GO's business decisions through the organization's Enterprise Wide- Risk Management (ERM) program. 2GO Group implements the ERM Program through the identification, analysis, management and monitoring of risks that can hugely impact the Company's ability to achieve its goals and objectives. The implementation of the Enterprise Risk Management process ensures that critical risks are well understood and effectively managed across all our units.

The Board of Directors (BOD) is tasked to oversee the risk management program of the Company through the Risk Oversight Committee. The BOD sets the overall risk tolerance for 2GO Group, Inc. and delegates the responsibility of managing all the Group's risk exposures to the respective business unit heads with the oversight functions from the Risk Oversight Committee. The Committee designs the Risk Management Framework, which was subsequently reviewed and approved by the Board.

The Group understands that creation of ERM framework is an on-going process and that it will continue to evolve as the organization grows. Such is the dynamic nature of risk management, the ability of the Group to learn, adapt and rebound from any risk, threat or disaster. The ERM Program of the Group will gradually be a major contributor in helping the organization achieve its goals, and in the future be the backbone in the thrust for corporate resiliency.

Metrics and Targets
<p>To assess and manage relevant climate-related risks and opportunities, 2GO Group regularly monitor, measures and report our energy consumption from fuel and electricity as well as water consumption. Our greenhouse gas emissions are also calculated and reported annually through our sustainability report.</p> <p>2GO Group started baselining in 2018. This 2023, 2GO together with WWF, will develop a climate scenario analysis to help us determine science-based targets for emission reduction. We expect to disclose these targets in 2023.</p>

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	96	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Supplier Accreditation helps 2GO ensure a continuous supply of quality goods and services from reputable and reliable vendors/suppliers who are compliant with pertinent government rules and regulations such as those related to the environment, labor, health & safety, etc.</p> <p>2GO promotes inclusive business in its Supply Chain by sourcing local suppliers/vendors thereby promoting revenues and jobs to local communities.</p>	<ul style="list-style-type: none"> • Suppliers • Contractors • Creditors • Other entities engage in business with the company 	<p>With regard to suppliers, we make sure that our contract agreements are followed diligently by all involved parties. Contracts are standardized to ascertain that the content encompasses all types of transactions with a particular supplier and that the suppliers are given ample time to review the document before signing. In cases of revisions, a separate document reviewed by our legal division is attached, detailing all agreed revisions as a complementing agreement to the standard contract.</p>

During the accreditation process of suppliers/vendors, we ensure that they conform with 2GO's Code of Business Ethics, Environmental Policy, and OSH Policy. This is to ensure that 2GO together with its partners aligned with the environmental and social related values.		
What are the Risk/s and Opportunities Identified?		Management Approach
Procurement practices impact our business operations as they can affect cost efficiencies, quality of supplies, and supply availability. The identified procurement-related risks include fraud, cost, quality, and delivery risk.		The accreditation process assesses and reduces the risks of poor-quality products and services or late or non-delivery which may result in disruption in business operations. Moreover, supplier accreditation also helps maintain the integrity of the procurement process thus providing transparency.
What are the Opportunities Identified?		Management Approach
2GO Group sees an opportunity in tapping local Small and medium-sized enterprise (SME) industries to reduce operational costs across its supply chain, without sacrificing the quality of products and services delivered to our business units. 2GO, in turn, helps promotes a boost in local economic growth.		Local SMEs are currently subjected to the same accreditation policy and procedures and are approved if they meet the set standards. Currently, 2GO does not have a policy to preferentially accommodate local SMEs where it is applicable, however, this is something that can be considered.

Anti-corruption

Training on Anti-corruption Policies and Procedures

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

Incidents of Corruption

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

What is the impact & Risks and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
We avert any form of corruption across our business operations and value chain. Corruption is against our core values, business ethics moral principles. We take any form of corruption seriously as it may significantly affect our ability to generate and equitably distribute economic value to all of our stakeholders. We understand that any issue related to corruption can adversely affect our reputation among our stakeholders including the public and our customers, which may lead to	<ul style="list-style-type: none"> • Employees • Suppliers • Creditors • Investors • Regulators 	2GO is committed to promoting fairness, accountability, and transparency to all of its stakeholders. The Board sets the tone and makes a stand against corrupt practices by adopting anti-corruption policies and programs. Some of the Company's Anti-Corruption programs are embodied in the Code of Business Conduct, Conflict of Interest Policy, and Related Party Transactions Policy, among others. The same is disseminated to all employees across the Company through trainings to embed them in the Company's culture. New employees are oriented regarding policies and procedures

decreased sales and in turn will lead to a decrease in revenue. And for this reason, the company facilitates training on Anti-corruption policies and procedures as we deal with different stakeholders.		related to Business Conduct and Ethics and similar policies. These policies and programs are made available on the Company Website and Employee Portal for easy reference.
What are the Opportunities Identified?		
<i>Positive financial returns, improve product and service quality and reinforce goodwill among stakeholders give us ample reason to fight corruption.</i>		2GO has also established a Whistleblowing Policy, also referred to as Policy on Accountability, Integrity, and Vigilance (PAIV). This policy allows employees and other stakeholders to freely communicate their concerns about illegal or unethical practices, which may be raised freely within the organization.

ENVIRONMENT

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	52.91	GJ
Energy consumption (bunker fuel IFO 180)	2,041,652.69	GJ
Energy consumption (diesel)	297,016.07	GJ
Energy consumption (electricity)	5,906,499.24	kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	(51.88)	GJ
Energy reduction (LPG)	N/A	GJ
Energy reduction (diesel)	27,165.82	GJ
Energy reduction (electricity)*	(2,189,934.76)	kWh
Energy reduction (bunker fuel)	(238,949.55)	GJ

*Restatement: 2021 Energy consumption is 3,716,564.48kWh. Energy reduction from electricity is based on the restated 2021 Energy consumption.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
2GO Group recognize that proper management of energy is vital and essential to business. As a logistics and transport company, both fuel and electricity are used in all business operations of 2GO. As 2GO Group aims to continue to deliver high level of service to our clients at minimal environmental impact, it is	Communities Regulators Investors	In 2022, there is a substantial increase in energy consumption from the use of gasoline, electricity and bunker fuel. This is attributed by the increased activities across the business lines boosted by the transport, shipping and passenger volume as the country's economy opened up from the restriction due to pandemic. However, despite of the increase in the logistics and transport activities, it can be observed that the diesel

<p>deemed that responsible use of energy resources is necessary.</p> <p>Responsible energy management brings a positive impact not just to the environment but to the organization, as it not only leads to reduction in carbon emissions, but it also lowers the operating cost from fuel and electricity use which results to significant savings in operational expenditures.</p>		<p>consumption in 2022 is less compared to 2021. This deemed to be attributed by the beneficial impact of using transport management system and route optimization of 2GO owned trucks all runs through diesel. These technological investments not only reduced the diesel consumption of 2GO fleet but also optimized the logistics and transport operations.</p> <p>In 2022, 2GO also developed a resource conservation procedure, including guidelines on the prudent use of energy resources in the workplace.</p>
<p>What are the Risk/s Identified?</p>		<p>Management Approach</p>
<p>2GO, same with other companies is affected by regulatory risk. Some of 2GO's business operations are affected by new law and government regulations related to energy conservation.</p> <p>Another risk identified is the fluctuating price of fuel in the market as well as the energy we purchase.</p>		<p>High consumption of energy affects the environment; therefore, we conduct several measures to reduce our energy consumption within the Group. 2GO Business units also conduct reduction efforts specific to their function.</p> <p>The acquisition of more fuel-efficient ships of 2GO Sea Solution and investment on technologies such as route optimization system for 2GO Express and transport management digitalization for 2GO Land Transport not only helped the company eliminate the inefficient transportation of goods but also helped the company offset the effects of higher fuel cost in 2022.</p> <p>As we seek to lessen our environmental impacts by setting energy reduction initiatives, we will be revising our current resource</p>
<p>What are the Opportunity/ies Identified?</p>		
<p>The requirements to comply with RA 11285 or the Energy Efficiency and Conservation Act, gives an opportunity for our business units to integrate energy management plan and other energy conservation initiatives to their respective</p>		

business operations. This will not only cut energy inefficiencies but also may incur savings by reducing the overhead cost of the company.		conservation procedure by integrating energy management plans following the provisions indicated on RA 11285 and in compliance with the requirement of the Department of Energy (DOE).
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Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	105,452.19	Cubic meters
Water consumption	0	Cubic meters
Water recycled and reused	0	Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>The 2GO Group does not belong to a water-intensive industry. Water is primarily used for cleaning and sanitation purposes for 2GO offices, hubs, and warehouses.</p> <p>However, the Group acknowledges that our water usage may also impact the water supply of communities adjacent to where 2GO facilities operate; thus, the company values water conservation. Conserving water is important not only to reduce operational costs but also to avoid water shortage. We are mindful of the company's impact on communities and the local</p>	<p>Communities</p> <p>Regulators</p> <p>Investors</p>	<p>The company promotes responsible water consumption in all its facilities. Water usage are regularly being monitored and different measures are implemented to conserve water.</p> <p>Water Conservation is included in 2GO's Resource Conservation Procedures that were cascaded to all 2GO sites as part of the organization's Environmental Compliance Action Program (ECAP).</p>

ecosystem that derives its water supply from the same source from where we derive ours.		
What are the Risk/s Identified?		
<p>2GO recognize the risk to water shortage due to increased competing demand from other sectors and domestic use. Extreme heat, El Niño and climate change also plays a role. Some of 2GO facilities are exposed to this risk as we operated nationwide across the country, as few of which are located in water stressed areas.</p>		
What are the Opportunity/ies Identified?		
<p>There is an opportunity to further reduce water consumption by improving water usage monitoring.</p> <p>Other measures may also be applied in some facilities such as rainwater harvesting and use of recycled water subject for feasibility.</p>		

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
• renewable	N/a	kg/liters
• non-renewable	n/a	kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	n/a	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Not material as 2GO does not manufacture any products	Not Material	Not material
What are the Risk/s Identified?		
Not Material		
What are the Opportunity/ies Identified?		
Not Material		

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

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not Material	n/a
Habitats protected or restored	Not Material	ha
IUCN ² Red List species and national conservation list species with habitats in areas affected by operations	Not Material	n/a

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 considered not material for 2GO since we do not have operations within or adjacent to biodiversity-rich areas.	Not material	Not material
What are the Risk/s Identified?		
Not material		

² International Union for Conservation of Nature

What are the Opportunity/ies Identified?		
Not Material		

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	209,337.00	Tonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	4,263.00	Tonnes CO ₂ e
Emissions of ozone-depleting substances (ODS)	10,440.75	Tonnes

Air pollutants

Disclosure	Quantity	Units
NO _x	6,275.53	kg
SO _x	44.30	kg
Persistent organic pollutants (POPs)	Not applicable	kg
Volatile organic compounds (VOCs)	Not applicable	kg
Hazardous air pollutants (HAPs)	Not applicable	kg
Particulate matter (PM)	6,939.08	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
The greenhouse gas emissions from all 2GO's business units are sourced from anthropogenic activity. As a logistics and transport company, our emissions are primarily generated from our fleet of vehicles, mechanical handling equipment, and vessels. Some 2GO facilities also have generator sets that are only used during a power outage or	<i>Communities</i> <i>Regulators</i> <i>Investors</i>	The efficient use of electricity and fuel not only reduces operational costs for all business units but also reduces our GHG emissions. 2GO Group has been doing different initiatives to improve its operational efficiencies and reduce our emissions. One of which is the investment in technologies such as transport management and route optimization system that not reduce unwanted

<p>maintenance check. The Group recognizes that our involvement in this topic is through our day-to-day transactions and operations.</p>		<p>miles but also help reduce our emissions.</p>
<p>What are the Risk/s Identified?</p>		<p>All 2GO owned-trucks are Euro4 compliant while the truck drivers are trained with eco-efficient driving techniques to lower fuel consumption and carbon emissions.</p>
<p>Tracking GHG emissions helps the company better understand its contribution to climate change. This affects the company's assessment of its climate-related risks.</p>		<p>At the warehouse level, 50% of the total forklifts used in operations are electric. Also, some of the 2GO warehouses already shifted to LED.</p>
<p>What are the Opportunity/ies Identified?</p>		<p>2GO also has a fleet modernization plan which includes the acquisition of fuel-efficient ships such as MV Masagana and MV Maligaya.</p>
<p>There is an opportunity to use alternative and renewable sources of energy as well as to create an energy efficiency program to further lower the electricity consumption of the facilities, thereby lowering their GHG emissions.</p>		<p>In the pipeline for the next year, as part of our action plan to reduce our emissions is to convert one of our warehouses, 2GO Elisco, to renewable thru the Green Energy Option Program of Dept. of Energy. Furthermore, while waiting for the government's roadmap on Electric Vehicle Industry in compliance with the EVIDA law, 2GO will conduct a feasibility study on the use of e-vehicle for logistics.</p>

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	1,261,958	kg
Recyclable/Reusable	404,941	kg
Composted	91,076	kg
Incinerated	Not applicable	kg
Residuals/Landfilled	765,941	kg

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	420,100	kg
Total weight of hazardous waste transported	420,100	kg

What is the impact & risk and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Proper waste management is crucial in any organization, as doing otherwise creates adverse effects on the environment and the surrounding community.</p> <p>2GO Group does its utmost effort to comply with all laws related to waste management.</p> <p>There is a solid waste management program in place in compliance with Solid Waste Management Act (RA) No. 9003, Hazardous Wastes Management Act (RA) No. 6969 and related LGU ordinances.</p> <p>Our Group's involvement in the impact of solid and hazardous waste disposal is through our day-to-day operations. These impacts are primarily managed through both internal initiatives and compliance with the regulatory requirements aforementioned.</p>	<p>Employees</p> <p>Communities</p> <p>Regulators</p>	<p>To properly manage our wastes generated from day-to-day operations, a waste management procedure was institutionalized and cascaded to all sites of 2GO as part of the company's Environmental Compliance Action Program (ECAP).</p> <p>A Pollution Control Officer (PCO) was designated in all 2GO sites ensuring compliance with the ECAP including waste management procedure.</p> <p>In 2022, some of 2GO sites have already started improving their Material Recovery Facilities (MRF) to enable proper waste segregation and storage on warehouses as well as construction of Hazardous Waste Storage Area (HWS).</p> <p>All wastes generated by the sites are collected, transported and disposed by a 3rd party DENR accredited haulers.</p>

		Management Approach
What are the Opportunity/ies Identified?		Proper waste management and the use of reusable materials has been one of the focus of the 2GO's Business Units for many years, as they to innovate and come up with more sustainable packaging supporting more efficient use of resources and produce less solid waste. A sample of this is the use of collapsible crates and reuse of corrugated carton to protect goods to be delivered.
Implementation of proper waste managements on sites can be further improved. This will not only ensure that operation is operating cleanly and safely but can also encourage cost efficiency.		In compliance with the EPR Act, the business units of 2GO that fall within the Obligated Enterprise had already created a program for proper plastic waste diversion. The units have joined other SM Group as part of a collective and partnered with a Producer Responsibility Organization (PRO) to come up with more holistic approach on addressing plastic waste.
The Group can also seek collaborative projects on waste management that may include community engagement and partnership with local recyclers in compliance with the newly enacted Extended Producers Responsibility (EPR) Act.		

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	No data	Cubic meters
Percent of wastewater recycled	0	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Wastewater is generated both from our land and marine facilities during	Employees	All 2GO land sites are equipped with septic tank which treats the

day-to-day operations, the majority coming from the restrooms and cleaning purposes. However, as of the moment, there are no means to determine the volume of wastewater currently being discharged from the sites.	Regulators Communities	wastewater coming from the restrooms of our facilities.
What are the Risk/s & Opportunities Identified?		On the other hand, effluents from vessels such as used oil, sludge, and bilge water are regularly monitored and recorded. These are collected ashore through a third-party treater and hauler accredited by Dept. of Environment and Natural Resources.
We recognize that discharging of untreated wastewater has a considerable adverse impact on the environment and communities. Furthermore, regulators can impose a penalty for non-compliance to effluent standards. Hence it is important to regularly monitor wastewater discharges. One way to do so is thru the installation of wastewater metering devices.		

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the impact & risk and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach

<p>We recognize that environmental compliance is crucial to ensure that our environment, surrounding communities, and even our employees are not exposed to unnecessary hazards from our business operations. Compliance with environmental laws and regulations is critical to keep our business operational.</p> <p>Non-compliance with any environmental law or regulation could have financial implications from the imposition of penalties, stoppage of operations, or reputational risks.</p>	<p>Regulators</p> <p>Communities</p> <p>Employees</p> <p>Investors</p>	<p>The Group remains committed in improving our environmental management and compliance. To ensure the environmental compliance of 2GO, Environmental Compliance Action Program (ECAP) was institutionalized. All sites were also required to designate, appoint and accredit a Pollution Control Officers (PCO) across our facilities who will oversee the environmental compliance. Correspondingly, Environmental Managing Heads were also assigned to each 2GO facility in compliance with the requirement of DENR.</p>
<p>What are the Opportunity/ies Identified?</p>		
<p>Under the ECAP program, sites are conducting self-assessment in terms of their environmental compliance. In-house audit can be integrated to the program to mitigate the risk of non-compliance. Furthermore, regular session on Environmental Compliance for all employees may also be done not only for awareness purposes but also for all to recognize that protecting the environment and ensuring compliance is everyone's responsibility.</p>		<p>Both the PCO and Managing Heads had undergone DENR-accredited trainings to provide them with knowledge on environmental compliance and its application and implementation on our sites.</p> <p>At the Corporate level, the PCOs and Managing Heads are guided by the Corporate PCO and Corporate Head of the Environmental, Health, and Safety Department who provide procedures and guidelines that align with pertinent laws.</p>

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ³	2,048	
a. Number of female employees	823	#
b. Number of male employees	1,225	#
Attrition rate ⁴	16%	rate
Ratio of lowest paid employee against minimum wage	1:1	ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	45%	22%
PhilHealth	Y	6%	3%
Pag-ibig	Y	36%	37%
Parental leaves	Y	8%	1%
Vacation leaves	Y	81%	84%
Sick leaves	Y	71%	70%
Medical benefits (aside from PhilHealth)	Y	99%	99%
Housing assistance (aside from Pag-ibig)	N	n/a	n/a
Retirement fund (aside from SSS)	Y	n/a	n/a
Further education support	N	n/a	n/a
Company stock options	N	n/a	n/a
Telecommuting	N	n/a	n/a
Flexible-working Hours	N	n/a	n/a
(Others)			

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	40%	%
% of male workers in the workforce	60%	%

³ Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

⁴ Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

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

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>We recognize that our employees are the company's backbone supporting our long-term growth and success. To ensure that 2GO's vision, goals, and strategies will be achieved, we give high importance to human capital management.</p> <p>We are committed to providing equal employment opportunities across diverse sets of people, regardless of gender, ethnicity, age, and vulnerability. We eliminate any form of bias during the hiring process, instead, we focus on determining skills and capabilities to ensure that the right people are hired for the right job.</p> <p>2GO follows the standards and policies set by the Department of Labor and Employment (DOLE) for hiring, salary, and wages. Moreover, our employees are also given benefits to improve their quality of life. Some company-initiated benefits are provided on top of government-mandated benefits such as SSS, PhilHealth, and Pag-ibig.</p>	<p>2GO developed a Strategic Workforce Approach to help build a resilient organization, ready to adapt to the future of work. This approach ensures that we have the right number of people with the right skills in the right place at the right time to deliver our short and long-term objectives.</p> <p>To foster organizational strength, offering opportunities for employees to develop their skills and grow together with the company. As we aim to achieve our goal which is to make 2GO the employer of choice, we seek to become the most inclusive workplace we can be by focusing on employee engagement and attracting top talents nationwide. The company also welcomes applications from all backgrounds and opposes discrimination of all forms.</p> <p>All 2GO employees received the legally required compensation and benefits. Our company offers a competitive package. On top of the government-mandated benefits we also provide the following benefits to our full-time employees:</p> <ul style="list-style-type: none"> • 14th-month pay • Calamity assistance • Company bereavement assistance • Group health plan
What are the Risk/s Identified?	
<p>In the past year, 2GO has experienced a challenge in employee retention. The talent market had evolved since the pandemic as more applicants and even some employees opt to choose hybrid working arrangements. This is identified as one of the reasons why some employees choose to leave the company.</p>	

What are the Opportunity/ies Identified?	<ul style="list-style-type: none"> • Group life Insurance • Calamity leave, Bereavement leave • Retirement benefits • Discounts on rolling cargo • Christmas giveaways • Relocation Allowance
<p>We see an opportunity to further enhance our leadership and talent programs as well as the talent review process.</p> <p>For the benefits, it was also deemed that enhancement on employee health plan can be done. Likewise, an improvement in the implementation of benefits such as health and life insurance may be applied from day-1 of employees, however this is subject for further assessment.</p>	<p>The HR department have also rewards and recognition programs given to exemplary employees. Moreover, the company offers career advancement opportunities to help employees pursue their professional goals.</p>

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	6127	hours
b. Male employees	8790	hours
Average training hours provided to employees		
a. Female employees	7.44	hours/employee
b. Male employees	7.18	hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>We offer different training and career development programs to our employees. Continuous learning and development help our employees grow professionally and personally. Improving competencies of employees is important as it enables them to become more productive in the workplace.</p>	<p>We provide necessary technical and non-technical trainings to improve the technical skills, soft skills, and leadership skills of our employees. Providing employees with training, advancement opportunities and aiding them to address various skills gaps not only help our employees but also strengthen 2GO as a company.</p>

What are the Risk/s & Opportunities Identified?	Management Approach
<p>Training increases employee engagement. When employees' training needs are not met, productivity and quality of work may be compromised. It makes employees feel disempowered leading them to seek opportunities elsewhere, resulting in higher attrition.</p> <p>Furthermore, the quality and type of training provided to employees affects the productivity and competitiveness of the company.</p> <p>We also recognize opportunities on innovative learning channels such as setting up of e-learning portals that employees can access anywhere at any time.</p>	<p>We advocate continuous learning to help our employees meet their full potential. Our training initiatives aim to develop employees into specialist in their respective areas of work. From our leaders to our staff, our employees undergo customized development program for skills enhancement and improved well-being.</p>

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	0	%
Number of consultations conducted with employees concerning employee-related policies	1,200	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>We promote cooperative partnership between 2GO Management and employees as we recognize that this is essential to sustain economic growth of the company.</p> <p>2GO Group does not have a labor union thus the company does not have collective bargaining agreements. However, 2GO has a Labor Management Council (LMC) where employees</p>	<p>2GO will continue to foster productive communication and partnership with our employees. The management believes that a mutually-beneficial atmosphere fosters a proactive partnership and cooperation between Management and employees. This creates a climate of industrial peace. 2GO Management continues to support LMC</p>

and management participate together in solving problems affecting employee welfare.	programs that are geared towards increasing productivity and improving employee welfare.
What are the Risk/s Identified?	
Risk identified is the sustainability or continuity of programs/projects initiated by LMC. As the project becomes at risk when the LMC member who handles the project leaves the company.	
What are the Opportunity/ies Identified?	
The LMC members can be the CSR arm of the company who can implement significant activities and create sustainable impact in the community and the environment.	

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	5,736,717	Man-hours
No. of work-related injuries	0	#
No. of work-related fatalities	0	#
No. of work related ill-health	0	#
No. of safety drills	15	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
2GO remains committed to providing our employees with a safe and healthy working environment. We give high importance to workplace health and safety as we recognize that it is crucial to prevent work-related accidents, promote employee wellness and maintain compliance with regulatory requirements and industry standards. We aim to protect not only our employees but also our visitors, facilities, and surrounding communities from any risks and hazards that may arise from our operations.	The 2GO Group has institutionalized a safety program called Safety Regulation and Information Guidelines (SRIG) for land-based facilities to ensure safety protocols are in place in all 2GO facilities aligned with the Occupational Health and Safety Standards set by the Department of Labor and Employment (DOLE). On the other hand, all our vessel operations have Safety Management System compliant with the International Safety Management (ISM) Code and MARINA.

What are the Risk/s and Opportunity/ies Identified?	Furthermore, all 2GO facilities have designated safety officers, first-aiders, and security officers trained for emergency preparedness and response ensuring that our employees will be well-assisted in case of emergency.
2GO continues to work towards ensuring that our employees have a healthy, safe, and secured working environment, we understand that if this will not be managed well, there will be considerable risk to life and property. Non-compliance to health and safety standards and regulations could cost the company penalties from regulators, suspension of operations, attrition, and damage to reputation.	Identifying the potential risk to the health and safety of our employees and facilities is essential to our business. We take steps to mitigate, address and effectively manage these risks to continue providing a safe and secure environment to our employees and communities where we operate.
Recognizing that safety is everyone's responsibility and it is a journey for our organization, we acknowledge that as our business grows there is a need for continual improvement on safety procedures and implementation of safety practices. Information dissemination campaigns on safety can also be further enhanced as well as safety training and drills on site.	

Labor Laws and Human Rights

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

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

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	N	2GO adopts and complies with the standards and regulations set by DOLE. Moreover, 2GO Group ensures that the suppliers/vendors we engaged with comply with the same.
Child labor	Y	No Child Labor Policy
Human Rights	Y	<ul style="list-style-type: none"> • Code of Conduct • Anti-Sexual Harassment Policy • Drug Free Workplace Policy • Policy on Hepatitis B, HIV/AIDS, Tuberculosis • Policy on Workplace Mental Health • Whistleblowing Policy

		<ul style="list-style-type: none"> • Grievance Machinery • Data Privacy Policy • Environmental Policy • OSH Policy • Bereavement Leave Policy • Calamity Leave Policy
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What is the impact and risks where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>We ensure the provision of a safe environment by upholding labor laws and human rights, as reflected in our Code of Conduct.</p> <p>Implementation of Labor Laws and Human Rights policies in the workplace ensure that 2GO employees does not experiences any unlawful activities and that employees can exercise their right to decent work.</p> <p>Any violations related to Labor and Human rights will impact our productivity, employee retention, and employee engagement. Likewise, said violation could result to regulatory implication that could tarnish the reputation and brand of the compay.</p>	<p>Aligned with the parent company's commitment as a UN Global Compact signatory, 2GO supports Human Rights and Labor Rights. The company implements the aforementioned Human Rights policies to eliminate discrimination in our workplace and ensure that our employees are safe and protected.</p> <p>2GO Group also developed a whistleblowing policy and grievance machinery wherein concerns and issues, made in good faith, may be raised freely and within the organization. Through these mechanisms any suspected or actual violations of the Code of Business Conduct or any applicable laws or regulation may be reported, including those related to Human Rights and Labor, may be reported. The management investigates the merit of the complaints and subjects them to due process.</p>
What are the Opportunity/ies Identified?	
<p>There is an opportunity to improve the process of receiving grievances, to make it more accessible to everyone anonymously without the fear of retaliation.</p>	

Supply Chain Management

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

Yes. All governance related policies may be viewed on the company's website via

<https://www.2go.com.ph/corporate-governance-policies/>

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	Y	Manual on Corporate Governance Code of Business Conduct No Child Labor Policy Conflict of Interest Policy Insider Trading Policy Related Party Transactions Policy Policy on Accountability, Integrity and Vigilance Policy for Vendor Selections and Purchase of Goods and Services Environmental Policy OSH Policy
Forced labor	Y	
Child labor	Y	
Human rights	Y	
Bribery and corruption	Y	

What is the impact and risk where does it occur? What is the organization's involvement in the impact?	Management Approach
More than half of our economic value generated in 2022 flows to our suppliers. Some of our suppliers also undertake our operational services. We recognize that their impacts on the economy, environment, and society are, to some extent, our impact as well. The success of our suppliers and their best practices in delivering their output determine our success. As we journey together with our suppliers, we ensure that we are aligned in terms of values, ethics, and morals. Hence, we hold our supplier assessment in very high regard.	<p>2GO Group has an accreditation process and procurement policies in place to ensure fairness, accountability, and transparency for the best interest of all stakeholders. This considers both financial and environmental impacts and promotes sustainable shared growth with all our suppliers including both large and small & medium enterprises.</p> <p>We ensure that our vendors, suppliers, and other third-party contractors adhere to our supplier code of ethics which includes prohibitions against child labor, forced labor, and slavery.</p>
What are the Opportunity/ies Identified?	
The Group can further encourage suppliers to abide by environmental and social laws. As a result, suppliers will be able to better manage their environmental and social compliance as well as their impact	

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
We provide jobs to the local areas where we operate	Nationwide	No in particular	No negative impact	Opportunities to have decent work	2GO exercises equal opportunity and foster inclusivity by removing any form of biasness during the hiring process.
	-	-			
	-	-			

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

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

Certificates	Quantity	Units
FPIC process is still undergoing		#
CP secured		#

*this is not material given that there are no operations that are within or adjacent to ancestral domains of indigenous people.

What are the Risk/s and Opportunity Identified?	Management Approach
The needed person right for the job may not be inherently from the local area where facility operates.	The company exercises equal opportunity during the hiring process regardless of gender, ethnicity, age, and vulnerability.

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	Customer Satisfaction - 96% NPS – 67% (very good)	N

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>The net promoter score (NPS) is the customer satisfaction, customer experience, and loyalty indicator that measures the likelihood of customers recommending the brand, its product, or its services. In 2022, NPS score of 2GO was 67% which falls within the very good category based on NPS global rating scale. Achieving an NPS beyond 60 means that customers are highly likely to recommend our service.</p> <p>As we move forward towards our vision to be the first choice of logistics in the country, we focus on providing quality customer experience across our business.</p>	<p>Customer management is fundamental to corporate success and sustainability. We adhere to our brand core values to put the customer first fostering deep and strong relationships that make a positive difference in our customers and stakeholders.</p> <p>2GO Group has sets of policies to ensure we adhere to quality commitments to our customers.</p>
What are the Risk/s Identified?	Management Approach
Customer dissatisfaction can cause damage to reputation that may in turn result in loss of customers and may result to financial implications.	Different strategies among business units are employed to ensure that customer satisfaction is met and managed.

What are the Opportunity/ies Identified?	All customers are given fair and proper treatment and are provided with complete, correct, and actual information.
Improving customer experience through enhancing the method of getting customer insights and finding ways to understand the changing customer expectations.	

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	50	#
No. of complaints addressed	50	#

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	0	#

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

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>We stay true to our mission to deliver goods on time, consistently, and in their best condition, and to transport our passengers reliably, comfortably, and safely.</p> <p>In 2022, we received a total of 50 complaints related to service health and safety. In all these cases, the corrective action system and feedback handling process were prompted immediately, thus 100% of the complaints were addressed. Moreover, in 2022 2GO did not receive any complaints related to Marketing and Labelling.</p>	<p>2GO Group has a Customer Interaction Center (CIC) that handles complaints including those related to customer health and safety and marketing and labeling. CIC works together with the corresponding Business Unit to immediately address the complaints.</p>

What are the Risk/s and Opportunities Identified?	Management Approach
Unresolved customer complaints, especially when these reach digital platforms, may influence wider customer perception of our brand and the quality of service we provide. This could lead to a decline in sales and possible loss of market share.	We strive to strictly comply with all government-mandated health and safety protocols in all our facilities may it be on land or sea to ensure that clients and customers are safe.

**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.*

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	1	#
No. of complaints addressed	1	#
No. of customers, users and account holders whose information is used for secondary purposes	0	#

**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.*

Data Security

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

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Security Information and Data Privacy are important to us to ensure business continuity. It is the concern of the company to protect sensitive information, may it be related to the organization, employees, customers, and even suppliers.	We are committed to protecting the personal data of our customers. 2GO has institutionalized Data Privacy Policy across the organization. The policy outlines how we process, handle, protect and use collected data in accordance with the law, RA 10173 or

What are the Risk/s & Opportunities Identified?	the Data Privacy Act of 2012. The company has also designated a Data Protection Officer who oversees the policy implementation.
<p>The National Privacy Commission regulates data privacy through the Data Privacy Act. Any form of violation has corresponding civil and criminal penalties.</p> <p>Any instance of data breaches can disrupt operations, it could place the Company's sensitive or confidential information at risk of being used against it or used to gain an unfair advantage over it. It could also compromise the privacy of employees and customers and could pose threats to their safety and security.</p>	<p>To prevent cybersecurity threats, 2GO invested in the latest IT tools and technologies. Data security is implemented through data encryption, data backup, management of user privileges on corporate devices as well as securing on-premise and cloud servers.</p>

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Provision of Employment or Job Creation	<p>UN SDG 8 – Decent Work & Economic Growth</p> <p>We help drive economic growth in urban and rural communities by facilitating the movement of people, goods and services. At the same time, we provide economic opportunities in the localities where</p>	<p>We consider our human capital as our core capital hence; employee attrition could pose a negative impact on our company. Without our people, the delivery of services may be hindered.</p>	<p>Several talent retention initiatives have been implemented to ensure that our employees are continually satisfied with the work that they do. The company also provide them trainings for employees to grow</p>

	<p>we are present, generating jobs across our supply chain.</p> <ul style="list-style-type: none"> • 2,048 jobs created • Php 19.3 Billion Economic Value Generated • Php 15.7 Billion Value Distributed 		personally and professionally.
Support to Local Economy	<p>UN SDG 8 – Decent Work & Economic Growth</p> <p>2GO empower local suppliers, vendors or contractors including SMEs by creating opportunities for them to work together with us in achieving our goal to be the first choice for logistics in the country.</p>	Local suppliers not able to meet 2GO standards and requirements	2GO Group has a stringent supplier accreditation process, and works with partners to make sure that they continuously improve and deliver quality products and services that meet our standards
Transport and Distribution partners for different industries	<p>UN DG 9 – Industry Innovation and Infrastructure</p> <p>We provide industry innovation and transport infrastructure for key industry verticals such as consumer goods, food, pharmaceuticals, lifestyle products, automotive and consumer electronics.</p> <p>In 2022, 2GO partnered with Meralco foundation in transporting their</p>	Risk in handling goods & other cargos.	<p>We invest more resources in enabling technologies that help us navigate evolving trade and logistics environments.</p> <p>Our multi-year digitalization plan involves the adoption of globally recognized systems in warehouse, freight, and transport management to improve operational efficiency, minimize waste</p>

	manpower and equipment for restoration of electricity supplies in areas that were hit by typhoon Odette		and reduce business costs.
Fleet Modernization	<p>UN SDG 13: Climate Action</p> <p>We recognize the impact that climate change has on our business and our stakeholders. We incorporate climate change in assessing our risks and opportunities and formulate policies and implement programs that develop our resilience and adaptation to the effects of climate change.</p>	GHG emissions from 2GO owned vessels and vehicles	Acquisition of fuel-efficient ships and investment in technologies such as transport management and route optimization system.
Operational Eco-efficiency	<p>UN SDG 12 – Responsible Consumption and Production</p> <p>We take measures in lessening our environmental impact by reducing our energy and water consumption and waste generation. In our offices, warehouses and hubs, we utilize energy efficient equipment</p>	Some measures to reduce energy requires investment such as conversion to LED. Also, diversion of plastic packaging have corresponding cost.	<p>Our wastes are properly managed and segregated so that they may still be reused or recycled after our operations.</p> <p>Resource conservation procedure was developed that guides facilities on how to conserve energy and water.</p>

	<p>and regularly monitor our consumption.</p> <p>We also use biodegradable plastics which are more environmentally friendly.</p>		
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** None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*