

# 2023 SUSTAINABILITY REPORT

## VITARICH CORPORATION

### Contextual Information

Company Details	
Name of Organization	Vitarich Corporation (PSE: VITA)
Location of Headquarters	Marilao-San Jose Road, Sta. Rosa I, Marilao, Bulacan
Location of Operations	<p>Principal Office: Marilao-San Jose Road, Sta. Rosa I, Bulacan</p> <p>Other offices:</p> <p>National Highway, San Fermin, 2<sup>nd</sup> Floor, Unit 8 AC Petroleum Gas Station, Cauayan City, Isabela            Zone 4, San Isidro, Magarao, Camarines Sur            Brgy. Mali-ao, Pavia, Iloilo            Luzuriaga Ext., Reclamation Area, Brgy. 13, Bacolod City            Warehouse No. 10, Marciano Quizon St., Brgy. Alang Alang, Mandaue City, Cebu            Km. 14, Panacan, Davao City            Unit A, Warehouse 3, Neo Central Arcade, Cugman, Cagayan De Oro City            Doors D and E, FMUFASCO Building, National Highway, Brgy. Sinawal, Gen. Santos City</p> <p>Feed Mill Plants owned and operated by VITA:</p> <p>Brgy. Mali-ao, Pavia, Iloilo            Km. 14, Panacan, Davao City</p> <p>VITA has also operations with its Toll Mill Partner in 105 Barrio Bagbaguin, Sta. Maria, Bulacan</p>
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	<p>The report covers only VITA and the feed mill plants it operates, except as otherwise stated in the report. This report also excludes the operations in VITA's dressing plants in Marilao, Bulacan and Tugbok, Davao City, except as otherwise stated and/or reported. The exclusion is due to the fact that they are being operated by third parties or by VITA's business partners. The report also excludes data on the operations of VITA's subsidiary, Barbatos Ventures Corporation, unless otherwise stated or reported. Some disclosures were made in general</p>

	terms so as to avoid disclosing proprietary or confidential information, business strategies, or even trade secrets.
Business Model, including Primary Activities, Brands, Products, and Services	<p>Please see Annex “A”</p>
Reporting Period	January 1, 2023 to December 31, 2023
Highest Ranking Person responsible for this report	Atty. Mary Christine C. Dabu-Pepito (Assistant Corporate Secretary/Compliance Officer/Corporate Information Officer)

*\*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**

<p><b>Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.<sup>1</sup></b></p>
<p>The data and information necessary for the report were collated from the different departments of VITA. Some of the information came from reports that are also submitted to government agencies like the BIR, DOLE and DENR-EMB. Some were based on the results of engagement with different stakeholders such as the employees, business partners, dealers, and customers. Based on these existing data, the material topics for the report were analyzed using the Materiality Matrix. Per assessment, the following are the topics material to Vitarich:</p> <ul style="list-style-type: none"> <li>(a) Direct Economic Value Generated and Distributed</li> <li>(b) Climate Related Risks and Opportunities</li> <li>(c) Proportion of Spending on Local Suppliers</li> <li>(d) Resource Management except Ecosystems and Biodiversity as the Corporation does not operate within or adjacent to protected areas and areas of high biodiversity value outside protected areas</li> <li>(e) Environmental Impact Management</li> <li>(f) Environmental Compliance</li> <li>(g) Employee Management</li> </ul>

<sup>1</sup> See [GRI 102-46](#) (2016) for more guidance.

- (h) Occupational Health and Safety
- (i) Relationship with Community, except those pertaining to IPs
- (j) Customer Management, except Customer Privacy

However, while the same were assessed to be material, some disclosure topics have limited available data. This Sustainability Dashboard contains the 3 UN Sustainable Development Goals (“UN SDGs”) material to VITA and VITA’s sustainability practices and goals.

The topics that are not material were left in blank/unanswered.

## ECONOMIC

### Economic Performance

#### Direct Economic Value Generated and Distributed

Disclosure	Amount (2023)	Amount (Restated 2022)	Amount (2022)	Units
Direct economic value generated (revenue)	12,509,448,015.00	11,978,605,046.00	12,014,706,705.00	PhP
Direct economic value distributed:				
a. Operating costs	11,555,586,962.00	10,853,828,605.00	10,862,756,465.00	PhP
b. Employee wages and benefits	352,734,377.00	324,516,851.00	296,956,326.00	PhP
c. Payments to suppliers, other operating costs	544,145,841.00	576,235,796.00	575,076,446.00	PhP
d. Dividends given to stockholders and interest payments to loan providers	Interest payments only – 75,823,288.00	Interest payments only – 40,001,976.00	Interest payments only – 40,001,976.00	PhP
e. Taxes given to government	242,259,018.00	244,056,997.00	182,767,626.00	PhP
f. Investments to community (e.g. donations, CSR)	0.00	0.00	0.00	PhP

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

<p>The disclosures above show some restatements on the disclosures made in the 2022 Sustainability Report in line with the restatements made on VITA’s Audited Financial Statements (“AFS”). As may be noted in the 2023 AFS, the restatements were due to prior period adjustments (investment property to plant, property, equipment) and classification of Bio Asset and Miscellaneous Income (AHC).</p> <p>Be that as it may, VITA’s generated total consolidated revenue for 2023 amounted to Php12,509,448,015.00 as a result of its business operations, strategies and other operating and passive income. This was higher than the total consolidated revenue in 2022 due to volume growth in the chicken segment and feeds price increase.</p> <p>VITA’s revenue allowed it to fund its operating costs and pay its suppliers, employees, creditors and the government (taxes and licenses). Operating costs for 2023 were higher than that in 2022 primarily due to higher labor costs. Despite the higher operating costs, VITA still earned a consolidated net income of Php13,304,916.00 in 2023.</p>	<ul style="list-style-type: none"> <li>➤ Government</li> <li>➤ Employees</li> <li>➤ Creditors</li> <li>➤ Suppliers</li> <li>➤ Community</li> <li>➤ Shareholders</li> <li>➤ Investors</li> </ul>	<p>VITA’s Lifetime Profitable Partnership (“LPP”) principle continues to create a long-term growth for VITA and its stakeholders.</p> <p>The monthly results of operations as well as the business outlook for the succeeding months are reported to the Board of Directors. The management continuously evaluates its strategies and modifies them as may be necessary to adapt to the changing landscapes, provide solutions to challenges encountered, and pioneer innovations. It faithfully complies with its contractual obligations to its stakeholders. VITA’s cashflow, including collections and disbursements, are closely monitored and managed. There are also internal control systems and processes in place to manage business operations and finances.</p>
<p align="center"><b>What are the Risk/s Identified?</b></p>	<p align="center"><b>Which stakeholders are affected?</b></p>	<p align="center"><b>Management Approach</b></p>
<p>Financial, liquidity, and operational risks brought about by: (a) animal diseases like African Swine Flu (ASF) or Avian Influenza (AI); (b) high operating costs brought about by increasing prices of raw materials; (c) increasing foreign exchange rates in relation to imported raw materials; (d) rising costs of fuel; (e) increasing interest rates; and (f) low selling price of chicken due to market oversupply.</p>	<ul style="list-style-type: none"> <li>➤ Suppliers</li> <li>➤ Employees</li> <li>➤ Business partners</li> <li>➤ Customers</li> <li>➤ Creditors</li> </ul>	<p>VITA closely monitored its cash flow and disbursements, continuously improved its inventory levels, innovated strategies to manage costs and cash flow, and constantly communicated and negotiated with suppliers and with creditors as regards debts and interest rates.</p>
<p align="center"><b>What are the Opportunity/ies Identified?</b></p>		<p align="center"><b>Management Approach</b></p>

<ul style="list-style-type: none"> <li>❖ The availability of multiple sales channels for VITA’s products continue to present an opportunity to continuously innovate.</li> <li>❖ The innovations and strategies done in 2023 to lower raw material costs also continue to present an opportunity to manage production costs without affecting the quality of VITA’s products.</li> </ul>		<p>In addition to the foregoing management approaches, VITA commits to continue improving its operations and business strategies to allow expansion of its businesses.</p>
--	--	--

Climate-related risks and opportunities<sup>2</sup>

Governance	Strategy	Risk Management	Metrics and Targets
<p>Disclose the organization’s governance around climate-related risks and opportunities</p>	<p>Disclose the actual and potential impacts<sup>3</sup> of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material</p>	<p>Disclose how the organization identifies, assesses, and manages climate-related risks</p>	<p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</p>
Recommended Disclosures			
<p>a) Describe the board’s oversight of climate-related risks and opportunities</p>	<p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term</p>	<p>a) Describe the organization’s processes for identifying and assessing climate-related risks</p>	<p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</p>
<p>The President and/or department heads report to the Board of Directors how floods or extreme weather conditions affect or impact VITA’s business</p>	<p>VITA is exposed to the following risks due to climate change:</p> <p>i. Physical Risk. Being an agribusiness, it is exposed to physical</p>	<p>VITA identifies and assesses climate-related risks through any or all of the following methods: (a) continuous analysis of its business processes</p>	<p>VITA’s metrics in assessing its climate-related risk management and strategy are: (a) cost efficiency of its strategy; (b) quality of</p>

<sup>2</sup> 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.

<sup>3</sup> For this disclosure, impact refers to the impact of climate-related issues on the company.

<p>as well as the measures undertaken/to be undertaken to minimize the impacts.</p>	<p>risks of drought and extreme rains/extreme weather condition and flooding.</p> <p>ii. Operational Risk. Climate change poses the risk of disrupting VITA's operations.</p> <p>iii. Credit and Liquidity Risks. Climate change could affect VITA's financial performance and access to capital.</p> <p>On climate-related opportunities, VITA's Iloilo Feed Mill plant continued the use of solar energy in its 2023 operations. It has also started using perimeter solar lights in its Davao feed mill plant. The use of solar energy in the Davao feed mill plant is currently undergoing a feasibility study. As discussed under the topic Materials Used by the Organization, VITA had started to comply with RA 11898 or the Extended Producer Responsibility Act ("EPR Act"). Still another opportunity is the Green Sanctuary Program, which the employees continued as they take home and/or share among themselves their harvests from fruit/vegetable bearing plants that they planted. These plants help absorb carbon emissions.</p>	<p>and finding the factors that could affect its processes and targeted goals; (b) reviewing past negative experiences or negative results and finding out the root cause; and/or (c) continuous research and benchmarking with other companies in the same industry.</p>	<p>feeds, animal health, dressed chicken and value-added products; (c) ability to meet customers' demands; and (d) customer satisfaction.</p>
---	---	---	---

<p>b) Describe management’s role in assessing and managing climate-related risks and opportunities</p>	<p>b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.</p>	<p>b) Describe the organization’s processes for managing climate-related risks</p>	<p>b) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets</p>
<p>The management regularly assesses impacts of predictable climate-related risks, such as extreme rains, extreme humidity, or even flooding, to its operations and makes the appropriate adjustments in its strategies. The unpredictable climate-related risks like earthquake as well as measures undertaken/to be undertaken to minimize the adverse impacts are discussed by the management and reported to the Board as it happens.</p>	<p>Drought and extreme rains/extreme weather condition and flooding cause disruptions in crop production and also affects the quality of raw materials. In addition, all the identified risks have the following impacts/potential impacts on its business operations:</p> <ul style="list-style-type: none"> <li>a. Higher costs due to insufficiency of raw materials or because of disruptions in the crop production.</li> <li>b. Decrease in demand for feeds from animal raisers/growers since drought and extreme rains and flooding adversely affect the growth efficiency of farm animals, especially poultry.</li> <li>c. Disruption in the breeding cycles of poultry breeding stocks, thus, disrupting the supply chain considering that limited breeding stocks result in scarcity of day old chicks.</li> </ul>	<p>To manage the climate-related risks, VITA reformulates its feeds as may be necessary to adapt to maintain the same quality while adapting to the environment. VITA also benchmarks and conducts continuous consultations and research and development to maintain the quality of feeds despite using alternative raw materials. Likewise, VITA’s locally sourced materials are supported by importations and frame contract to manage and mitigate impacts of climate-related risks. VITA also conducts regular trainings on biosecurity measures to help its business partners in terms of productivity.</p> <p>VITA’s Iloilo Feed Mill plant continued the use of solar energy. On the other hand, VITA started to use perimeter solar lights in its Davao feed mill plant.</p>	<p>VITA’s target in managing its climate-related risk management and strategy is to continue to deliver on time the agreed volume or agreed reduced volume of feeds and chicken to its customers without sacrificing quality, and without incurring too much costs.</p>

	<p>d. Disruptions in poultry growing. e. Delays in delivery brought about by delays in payment to suppliers.</p> <p>On the other hand, the use of solar energy in the Iloilo feed mill plant resulted in reducing VITA's GHG emissions as disclosed under the topics on Energy Consumption within the Organization and Reduction of Energy Consumption. This could also help in mitigating the impacts of other risks leading to less exposure to operating loss.</p> <p>The Green Sanctuary Program helps absorb carbon emissions, which, in turn, helps in managing VITA's environmental impacts.</p>	<p>VITA allowed the employees to continue the Green Sanctuary Program, which helps absorb carbon emissions.</p> <p>Apart from this, VITA also regularly maintains and upgrades its equipment to comply with DENR standards as well as to maintain and improve operational efficiencies.</p>	
	<p>c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario</p>	<p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management</p>	
	<p>VITA's climate-related risk management continues to prove to be resilient as evidenced by its continued existence and its</p>	<p>As can be seen above, changes and modifications are made in VITA's business processes and feed formulation to mitigate impacts of climate-</p>	



	continued financial stability.	related risks and adapt to constraints brought about by climate-related risks and events.	
--	--------------------------------	---	--

**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	Nationwide: 92.07% Luzon – 48.26% Visayas – 12.29% Mindanao – 31.52%	%

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Which stakeholders are affected?	Management Approach
For the year 2023, 92.07% of VITA’s procurement budget was spent on local suppliers. These suppliers include only suppliers of raw and other trade materials and exclude service providers such as consultants and contractors. In 2023, VITA had lower importation of major raw materials compared to that in 2022.	<ul style="list-style-type: none"> <li>➤ Suppliers</li> <li>➤ Domestic companies especially the MSMEs, and farmers.</li> </ul>	VITA allots more of its procurement budget on local suppliers. Its procurement policies and strategies were crafted, reviewed, revised and implemented in a manner consistent with the company’s vision of being the backbone of every Filipino farmer’s success and mission of building partnerships with its suppliers, among others. Its procurement policies and strategies are periodically reviewed in order to continuously improve the company’s buying plans, strategies and timings.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
❖ Operational risks due to supply constraints, poor quality of supplies, inconsistent quality of the raw materials, animal diseases such as ASF and AI and delays in deliveries on account of calamities or extreme weather conditions.	In addition to the foregoing: <ul style="list-style-type: none"> <li>➤ Customers</li> <li>➤ Creditors</li> <li>➤ Shareholders</li> <li>➤ Investors</li> </ul>	In addition to the foregoing, VITA accredits additional suppliers, or it reformulates feeds as may be necessary without sacrificing the quality of feeds.  VITA also conducts regular trainings on biosecurity measures to help its

<ul style="list-style-type: none"> <li>❖ Financial risks due to sudden or significant increase in prices of goods and services.</li> <li>❖ Legal, operational, financial and reputational risks due to delayed or non-payment of suppliers.</li> </ul>		<p>business partner – farmers in terms of productivity.</p> <p>VITA makes payment allocations to suppliers, especially major raw materials suppliers in order to ensure timely deliveries of major raw materials absent calamities or extreme weather conditions and to ensure better raw materials cost and the continuity of operations.</p>
<p><b>What are the Opportunity/ies Identified?</b></p>		<p>As disclosed above, VITA closely monitors and manages its cash flow and disbursements to ensure liquidity.</p> <p>In line with UN SDG 2 (Zero Hunger), VITA has created a Zero Hunger Task Force in 2022 to continuously increase the availability of reliable local suppliers, help in the livelihood of the community in the areas where it operates, and strengthen its support to local agriculture.</p>
<ul style="list-style-type: none"> <li>❖ The availability of long-term contracts with suppliers will allow better terms with local raw materials suppliers.</li> <li>❖ The availability of reliable local suppliers can ensure operational efficiencies despite weather conditions.</li> <li>❖ The availability of raw materials and other input goods and services all year round can minimize increase in costs despite sudden or significant increase in prices of goods and services.</li> </ul>		

## Anti-corruption

### Training on Anti-corruption Policies and Procedures

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

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

<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>

### Incidents of Corruption

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Number of incidents in which directors were removed or disciplined for corruption		#
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		#

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>

## ENVIRONMENT

### Resource Management

Energy consumption within the organization:

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Energy consumption (renewable sources)	Visayas – 195,626	Kwh
Energy consumption (SFO <sup>4</sup> )	Visayas – 4,464.97	GJ

<sup>4</sup> Special fuel oil

Energy consumption (gasoline)	Luzon – 44,041.90 Visayas – 2,410.17 Mindanao – 9,907.69	Liters
Energy consumption (LPG)	Visayas – 180	KG
Energy consumption (diesel)	Luzon – 96,167.72 Visayas – 44,889.01 Mindanao – 88,718.74	Liters
Energy consumption (electricity)	Luzon – 1,287 (Marilao office only); 3,973,922 Luzon Warehouse – 156,555 Visayas – 1,304,800 (Iloilo); 11,598 (Bacolod Satellite Warehouse); 1,285 (Cebu Satellite Warehouse) Mindanao – 3,787,487.85 (Davao); 6,836 (CDO Satellite Warehouse)	kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy consumption (renewable sources)	Visayas – 1,947	GJ
Energy reduction (SFO)		GJ
Energy reduction (gasoline)		GJ
Energy reduction (LPG)	Visayas – 20	GJ
Energy reduction (diesel)	Visayas – 2.22 Mindanao – 2,130.94	GJ
Energy reduction (electricity)	Visayas –327,800 (Iloilo); 1,994 (Bacolod Satellite); 4,175 (Cebu Satellite Warehouse)	kWh

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Which stakeholders are affected?	Management Approach
The data above was primarily based from VITA’s Iloilo and Davao feed mill plants as well as the electricity consumption in the principal office (Marilao, Bulacan) and satellite warehouses in Bacolod, Cebu, and CDO. The electricity consumption disclosed for the Iloilo feed mill plant is separate and distinct from the renewable source consumption from the said plant. The data on gasoline came from consumption	<ul style="list-style-type: none"> <li>➢ Suppliers</li> <li>➢ Communities where VITA operates.</li> </ul>	<p>VITA complies with laws relating to environment, energy consumption and efficiency.</p> <p>VITA continued using solar energy in its feed mill plant. VITA started using solar perimeter lights in its Davao feed mill plant in 2023 after it completed the installation of said lights in the same year. VITA is, at present, conducting a feasibility study on the use of solar energy in its Davao feed mill plant. In addition, it</p>

<p>on VITA’s fleet. The reductions on renewable sources and diesel consumptions in Visayas and Mindanao were primarily due to the decrease in production volume in addition to the proper equipment maintenance. The electricity consumption in Cebu Satellite warehouse decreased due to the closure of said warehouse end of March 2023.</p> <p>The impact is on the environment as the use of renewable sources of energy decreases GHG emissions while the use of non-renewable sources results in emissions that could be harmful to the environment. There is also an impact on the supply chain because the use of non-renewable sources could deplete these sources.</p> <p>The use of solar energy in the Iloilo feed mill plant resulted in reduction of VITA’s GHG emissions in 2023 by: (a) 346,337.31 kg in terms of CO<sub>2</sub> emissions; (b) 185.77 kg. in terms of NO<sub>x</sub> emissions; and (c) 3.89 kg. in terms of SO<sub>2</sub> emissions. These reductions were higher than those avoided in 2022. It should be, however, noted that VITA’s solar capacity is only around 15% to 20% of the plant’s electrical power requirement. Thus, the electricity consumption from ILECO was still higher than that from solar energy. The electricity supplied by ILECO helps run the machineries and utilities in the plant.</p>		<p>conducts regular preventive maintenance of all its equipment.</p> <p>In line with UN SDG 12 (Responsible Production and Consumption), it continuously improves its processes to ensure operational efficiencies, which, in turn, helps in the efficient energy consumption.</p>
<p><b>What are the Risk/s Identified?</b></p>		
<p>❖ Climate change brought about by increase in air emissions and pollutions due</p>		

<p>to the use of non-renewable sources of energy.</p> <ul style="list-style-type: none"> <li>❖ Depletion or shortage of non-renewable sources of energy.</li> </ul>		
<p><b>What are the Opportunity/ies Identified?</b></p>		
<ul style="list-style-type: none"> <li>❖ The continued use of solar energy in the Iloilo feed mill plant gives the opportunity to further increase efficient consumption of energy.</li> <li>❖ The positive impact on the environment of the use of solar energy in the Iloilo feed mill plant presents an opportunity to further lower VITA's GHG emissions in the Davao feed mill plant.</li> </ul>		

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	Visayas – 4,317 (Iloilo) Mindanao – 5,842 (Davao)	Cubic meters
Water consumption	Luzon warehouse – 138.69  Visayas – 4,317 (Iloilo); 120 (Bacolod Satellite Warehouse); 32 (Cebu Satellite Warehouse)  Mindanao – 5,842 (Davao); 129 (CDO Satellite Warehouse)	Cubic meters
Water recycled and reused	Visayas – 0 Mindanao – 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
The data above were based on the water consumption and withdrawal in VITA's Iloilo feed mill plant and office, as well as in the satellite	<ul style="list-style-type: none"> <li>➤ Communities where VITA operates</li> <li>➤ Government</li> </ul>	VITA complies with all laws and regulations pertaining to water and it continuously improves the operational efficiencies in order to maintain efficient

<p>warehouses in Bacolod, Cebu and CDO, and Davao feed mill plant and office. The data were based on the consumption reflected in VITA's water billings.</p> <p>In Visayas, water consumption and withdrawal in 2023 decreased by 1,346 cubic meters. The proper maintenance of the water pipelines and boiler system, in addition to the decline in production volume contributed to the decrease in water consumption and water withdrawal. The decrease resulted in savings of about P166K, more or less.</p> <p>In Mindanao, the decrease in water consumption and withdrawal in 2023 by 464 cubic meters was due to the decrease in the production volume.</p> <p>In both the Iloilo and Davao feed mill plants, the water is used only for steam generation.</p>		<p>water consumption. It also conducts regular preventive maintenance of its equipment and replaces the same with more efficient and more technologically advanced equipment as may be necessary.</p>
<p><b>What are the Risk/s Identified?</b></p>		
<ul style="list-style-type: none"> <li>❖ Climate change</li> <li>❖ Depletion or shortage of water</li> </ul>		
<p><b>What are the Opportunity/ies Identified?</b></p>		
<ul style="list-style-type: none"> <li>❖ VITA could explore rainwater harvesting in the feed mill plants in order to further reduce its water withdrawals.</li> </ul>		

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
<ul style="list-style-type: none"> <li>• Renewable</li> </ul>	Luzon – 105,856,129	kg

	Visayas – 41,498,250 Mindanao – 75,358,100	
<ul style="list-style-type: none"> <li>• non-renewable</li> </ul>	Luzon – 2,050,221 Visayas – 104,890.14 Mindanao – 526,895  Plastic Packaging (Unaudited data) – 661,529.40 (Feeds); 169,485.86 (Foods)	Kg
Percentage of recycled input materials used to manufacture the organization’s primary products and services	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
<p>The renewable materials disclosed above are the raw materials used or consumed by VITA for 2023. The non-renewable materials are the energy consumed. The plastic packaging materials are disclosed separately. Note, however, that the data disclosed under plastic packaging materials is still unaudited and will still undergo an independent third-party audit in compliance with the EPR Act.</p> <p>The impact is on the environment as VITA, although on a minimal level only, continues to contribute to waste generation and pollution as a necessary consequence of its operations.</p> <p>The decrease in the materials consumed in 2023 was due to the decrease in production volume.</p>	<ul style="list-style-type: none"> <li>➤ Suppliers</li> <li>➤ Communities where VITA operates</li> <li>➤ Government</li> <li>➤ Customers</li> </ul>	<p>VITA complies with laws relative to materials consumption and conservation. It also shifted from the use of laminated sack to a reusable woven sack for its feeds. Re-using the woven sacks helps reduce waste and pollution. It continuously improves its inventory management to have higher recovery/conversion of materials to finished products.</p> <p>VITA has also taken steps to address waste and pollution generated and contributed. In compliance with the EPR Act, VITA sought accreditation with an organization that can help it develop, implement and monitor its compliance with the EPR Act and it had engaged an accredited waste diverter in Mindanao.</p> <p>In line with UN SDG 12 [Responsible Production and Consumption], VITA continuously improves its processes to ensure operational efficiencies, which, in turn, helps in the efficient resource management.</p>
<b>What are the Risk/s Identified?</b>		



The continuous demand for non-renewable materials increases VITA's contribution to pollution and waste and it increases the possibility of shortage of non-renewable materials.		
<b>What are the Opportunity/ies Identified?</b>		
Reduction in waste and pollution contribution through the use of renewable, reusable and recyclable materials in the production of feeds.		

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	(identify all sites)	
Habitats protected or restored		Ha
IUCN <sup>5</sup> Red List species and national conservation list species with habitats in areas affected by operations	(list)	

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>

<sup>5</sup> International Union for Conservation of Nature

## Environmental impact management

### Air Emissions

#### GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	Iloilo Feedmill – 204  Davao Feedmill (CO emission only)  Boiler 1A – 129.0 Boiler 1B – 121.0 Boiler 2A – 109.2 Boiler 2B – 89.3	mg/Nm <sup>3</sup>
Energy indirect (Scope 2) GHG Emissions	0	Tonnes CO <sub>2</sub> e
Emissions of ozone-depleting substances (ODS)	0	Tonnes

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 data above were based on the emission testing conducted by a DENR-EMB accredited third party company on VITA's Davao and Iloilo feed mill plants.</p> <p>The increase in the emissions in Iloilo feed mill plant despite the decrease in production volume was due to the age of the boilers in said feed mill plant.</p> <p>While VITA has neither indirect GHG emissions nor ozone depleting substances emissions, its feed mill operations in Iloilo and Davao contribute to GHG emissions as a necessary consequence of its operations, albeit in a low level only.</p>	<ul style="list-style-type: none"> <li>❖ Communities where VITA operates</li> <li>❖ Government</li> <li>❖ Public in general</li> </ul>	<p>VITA complies with all laws relative to the environment, including the Clean Air Act. It also regularly conducts preventive maintenance on its equipment, regular repair of its facilities, including pollution control facilities, to ensure not only good operating conditions but also compliance with the environmental laws and regulations. VITA also ensures that its operations are efficient in order to keep its emissions low against the DENR-EMB standards.</p> <p>VITA has a rehabilitation plan on its boiler equipment in Iloilo feed mill plant, which, when implemented, would increase efficiency of the equipment, and further reduce VITA's emissions in said plant.</p> <p>VITA continued its use of solar energy in its Iloilo feed mill plant. It has also completed the installation of and started using perimeter solar lights in its Davao feed mill plant. It is currently conducting a</p>
<b>What are the Risk/s Identified?</b>		

<ul style="list-style-type: none"> <li>❖ Operational risks due to climate change brought about by the emissions and continuous contribution to air pollution.</li> <li>❖ Health risks on the communities where VITA operates as well as the public in general due to the continuous GHG emissions.</li> </ul>		<p>feasibility study on the use of solar energy in the Davao feed mill plant.</p> <p>In addition, by allowing the employees to plant within its plant premises (Green Sanctuary Program), VITA helps mitigate its GHG emissions as plants help reduce these emissions.</p> <p>VITA has Pollution Control Officers (“PCO”) who monitor and ensure compliance with laws and regulations relating to the environment and its conservation.</p>
<p align="center"><b>What are the Opportunity/ies Identified?</b></p>		
<ul style="list-style-type: none"> <li>❖ The continuous operation and use of as well as the possibility of increase in capacity of the solar energy in the Iloilo feed mill plant will mitigate and reduce VITA’s GHG emissions.</li> <li>❖ The use of solar energy in the Davao feed mill plant is an opportunity that VITA can explore to reduce its GHG emissions.</li> <li>❖ The continuation of the Green Sanctuary Program can also benefit the environment as plants can help reduce GHG emissions.</li> <li>❖ VITA could further reduce emissions through the planned rehabilitation of the boilers in Iloilo feed mill plant.</li> </ul>		

Air pollutants

Disclosure	Quantity	Units
NO <sub>x</sub>	Iloilo Feedmill – 86.774  Davao Feedmill Boiler 1-A – 33.2 Boiler 1-B – 44.6 Boiler 2-A – 21.3 Boiler 2-B – 24.5 Genset – 343.3	ave. concentration in mg/Nm <sup>3</sup>

SO <sub>x</sub>	Iloilo Feedmill – 1 Davao Feedmill Boiler 1-A – 8.3 Boiler 1-B – 25.5 Boiler 2-A – 32.4 Boiler 2-B – 5.6	ave. concentration in mg/Nm <sup>3</sup>
Persistent organic pollutants (POPs)	0	Kg
Volatile organic compounds (VOCs)	0	Kg
Hazardous air pollutants (HAPs)	0	Kg
Particulate matter (PM)	Iloilo Feedmill – 53 Davao Feedmill Boiler 1-A – 11.9 Boiler 1-B – 18.7 Boiler 2-A – 29.8 Boiler 2-B – 21.9	ave. concentration in mg/Nm <sup>3</sup>

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 data were based on the emission testing conducted by a DENR-EMB accredited third party company on VITA’s Iloilo and Davao feed mill plants.</p> <p>The decrease in the SO<sub>x</sub> in the Iloilo feed mill plant in 2023 was due to the use of SFO in its equipment.</p> <p>The decrease in particulate matter emission in 2023 was due to the proper and regular maintenance of the equipment.</p> <p>While these pollutants/emissions are low as against DENR thresholds, they still contribute to GHG emissions and air pollution generation.</p>	<ul style="list-style-type: none"> <li>➤ Communities where VITA operates</li> <li>➤ Government</li> <li>➤ Public in general</li> </ul>	<p>VITA complies with all laws relative to the environment, including the Clean Air Act. It regularly conducts preventive maintenance on its equipment, and regular repair of its facilities, including pollution control facilities, to ensure not only good operating conditions but also compliance with the environmental laws and regulations. VITA also ensures that its operations are efficient in order to keep its emissions low against the DENR-EMB standards.</p> <p>VITA’s continued use of solar energy in 2023 in its Iloilo feed mill plant, which helped avoided these emissions: (a) 346,337.31 kg CO<sub>2</sub>; (b) 185.77 NO<sub>x</sub>; and (c) 3.89 SO<sub>2</sub>. Moreover, by allowing the employees to plant within its plant premises (Green Sanctuary Program), VITA helps mitigate its air pollutant emissions as plants help reduce these emissions.</p>
<p><b>What are the Risk/s Identified?</b></p>		
<ul style="list-style-type: none"> <li>❖ Operational risks due to climate change brought about</li> </ul>		

<p>by contribution to air pollution.</p> <ul style="list-style-type: none"> <li>❖ Health risks on the communities where VITA operates as well as the public in general due to the continuous air pollution contribution.</li> </ul>		<p>With the completion of the installation of the perimeter solar lights in the Davao feed mill plant, VITA started using perimeter solar lights in its Davao feed mill plant in 2023.</p> <p>VITA has PCOs who monitor and ensure compliance with laws and regulations relating to the environment and its conservation.</p>
<p><b>What are the Opportunity/ies Identified?</b></p>		
<ul style="list-style-type: none"> <li>❖ The continuous operation and use of as well as the possibility of increase in capacity of the solar energy in the Iloilo feed mill plant will mitigate and reduce VITA's air pollutant emissions.</li> <li>❖ The use of solar energy in the Davao feed mill plant is an opportunity that VITA can explore to reduce its air pollutant emissions.</li> <li>❖ The continuation of the Green Sanctuary Program can also benefit the environment as plants can help reduce GHG emissions.</li> </ul>		

## Solid and Hazardous Wastes

### Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	Visayas – 1,600/month Mindanao – 2,300/month	Kg
Reusable	Visayas – 200/month Mindanao – 450/month	Kg
Recyclable	Visayas – 250/month Mindanao – 300/month	Kg
Composted	Visayas – 200/month Mindanao – 600/month	Kg

Incinerated	Visayas – 0 Mindanao – 0	Kg
Residuals/Landfilled	Visayas – 950/month Mindanao – 1000/month	Kg

<b>What is the impact and where does it occur? What is the organization’s involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<p>The data above were based on the monthly estimated solid waste collected by third party solid waste collectors from the Iloilo and Davao feed mill plants as reported by VITA’s PCOs to the government.</p> <p>Total solid waste generated in Visayas decreased by 150 kg/month due to the decrease in the production volume.</p> <p>While VITA has recyclable and reusable solid wastes, about 50% of the estimated monthly solid wastes generated still go into the landfills.</p>	<ul style="list-style-type: none"> <li>➤ Employees</li> <li>➤ Communities where VITA operates</li> <li>➤ Public in general</li> <li>➤ Government</li> </ul>	<p>VITA has a properly labelled Materials Recovery Facility in its Iloilo and Davao feed mill plants for the proper segregation, storage, and disposal of these wastes. It also hired a third-party solid waste collector to properly dispose its solid wastes.</p> <p>VITA has PCOs who monitor compliance with laws and regulations relating to the environment and its conservation, including waste segregation and proper waste disposal. It also continuously reiterated and strengthened its campaign and practice for waste segregation and proper waste disposal.</p>
<p><b>What are the Risk/s Identified?</b></p> <ul style="list-style-type: none"> <li>❖ Increase in pollution due to increase in residual solid wastes.</li> <li>❖ Health risks on the employees and communities where VITA operates and the public in general due to the increase in solid waste pollution.</li> <li>❖ Regulatory and legal risks due to non-compliance with the EPR Act.</li> </ul>		<p>It collects sweepings (assorted wastes collected through the process of sweeping) to be reprocessed/included in the formulation of feeds, reuses and recycles all that may be reused or recycled, as the case may be, and keeps its residual solid wastes within the allowed threshold. It regularly evaluates sweepings to make sure that it would not cause infections. VITA also provides the employees with PPEs and biosecurity measures in place are strictly implemented.</p>
<p><b>What are the Opportunity/ies Identified?</b></p> <ul style="list-style-type: none"> <li>❖ The government’s completion of the IRR of the EPR Act</li> </ul>		<p>In compliance with the EPR Act, VITA engaged an accredited waste diverter in Mindanao. In Marilao, VITA’s wastes go to the LGU’s MRF. It is continuously</p>

presents an opportunity for VITA to comply and even go beyond compliance with the EPR Act by not only re-using and recycling its solid wastes but also in recovering its solid wastes, thus, reducing its residual solid wastes, which, in turn would reduce the solid wastes going into the landfills.		developing its program for the recovery of its plastic wastes.
---	--	--

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	Visayas: Used oil – 250/year Busted lamps – 45/year  Mindanao: Used oil – 0/year Busted lamps – 20/year	liters kg  liters
Total weight of hazardous waste transported	Visayas: 0  Mindanao: 0	liters

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 data above were based on the report that VITA's PCOs in the Iloilo and Davao feed mill plants submitted to the DENR-EMB. The hazardous wastes that VITA generated for both plants are low or minimal only. Thus, there was no need to transport the same.</p> <p>The decrease of 50 liters in the used oil generated in the Iloilo feed mill plant in 2023 was due to the new generator set purchased and used</p>	<ul style="list-style-type: none"> <li>➤ Employees</li> <li>➤ Communities where VITA operates</li> <li>➤ Public in general</li> <li>➤ Government</li> </ul>	<p>VITA has a designated and properly labelled Materials Recovery Facility to properly store used oil and busted lamps. It has PCOs in its Iloilo and Davao feed mill plants to ensure that the proper waste disposals prescribed under existing laws and regulations are strictly followed.</p> <p>It continuously improves its preventive maintenance program/schedule in order to minimize used oil. VITA had also shifted</p>

<p>since 2022, which required less oil change. The decrease in busted lamps generated in both the Iloilo and Davao feed mill plants in 2023 was due to the proper maintenance of electric lamps/bulbs and the switch to LED lights.</p> <p>For Davao feed mill plant, there was no recorded used oil in 2023. There was no used oil transported in 2023 because there was no collected used oil to be transported.</p>		<p>to the use of compact bulbs, which used LED, instead of fluorescent bulbs.</p> <p>In addition to the foregoing, VITA monitors the consumption of oils and lamps so that the waste is kept within threshold and that these hazardous wastes are segregated from the non-hazardous wastes. It also strictly implements its “No Smoking” policy and provides employees with PPEs, which they are also required to wear within the premises.</p>
<p><b>What are the Risk/s Identified?</b></p>		
<p>Improper disposal may lead to environmental risks as well as health risks on the employees, the communities where VITA operates and the public in general. It may also lead into fire and pollution.</p>		
<p><b>What are the Opportunity/ies Identified?</b></p>		
<ul style="list-style-type: none"> <li>❖ The regular preventive maintenance conducted on VITA’s equipment to ensure operational efficiencies also helps in reducing hazardous wastes, thereby reducing environmental and health risks. It also has the potential to avoid fire and decrease in contribution to pollution.</li> <li>❖ Avoidance of fire and decrease in contribution to pollution.</li> </ul>		

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	Visayas – 60/month Mindanao – 0	Cubic meters



Percent of wastewater recycled	Visayas – 0	%
	Mindanao – 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
<p>The data were based on the water discharges and waste water recycled in the Iloilo and Davao feed mill plants as reported to the DENR. The decrease in production volume in 2023 contributed to the decrease in water discharges therein. There was no water discharge in the Davao feed mill plant since the waste water goes into a separate container, which eventually dries up or evaporates. Thus, the same are not discharged in the public drainages. VITA’s water discharges are minimal or very low as against DENR standards. However, it still impacts the environment, particularly the water bodies.</p>	<ul style="list-style-type: none"> <li>➤ Communities where VITA operates</li> <li>➤ Government</li> </ul>	<p>VITA monitors the final discharge of waste water to ensure that its operations are within the Clean Water Act and other regulatory standards. It complies with the proper waste water disposal prescribed under the law and regulations. VITA has waste water treatment facilities in its dressing plants although it is not the one operating the same. VITA has a PCO that monitors and ensures compliance with laws and regulations relative to water use, water discharge and proper waste water disposal.</p>
<p><b>What are the Risk/s Identified?</b></p>		
<p>Increase in water pollution contribution due to increase in waste water.</p>		
<p><b>What are the Opportunity/ies Identified?</b></p>		
<ul style="list-style-type: none"> <li>❖ Presence of technologies that can help improve waste water treatment in the feed mills.</li> <li>❖ The proper disposal of waste water as well as waste water treatment present an opportunity to mitigate and decrease water pollution contribution.</li> </ul>		

## 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	None	#
No. of cases resolved through dispute resolution mechanism	None	#

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>VITA was neither penalized nor complained for violation or non-compliance with environmental laws and regulations in 2023.</p> <p>Having complied with environmental laws and regulations, VITA maintained its contribution to pollution as a necessary consequence of its operations at a minimal level – within DENR thresholds.</p>	<ul style="list-style-type: none"> <li>➤ Government</li> <li>➤ Communities where VITA operates</li> <li>➤ Business partners</li> <li>➤ Customers</li> <li>➤ Employees</li> <li>➤ Investors</li> <li>➤ Shareholders</li> <li>➤ Directors</li> <li>➤ Officers</li> </ul>	<p>VITA strictly monitors compliance with environmental laws and regulations, including securing all permits and licenses needed for the continued operation of its business. It continuously upgrades and regularly maintains its facilities to ensure efficiencies and maintain pollution contribution to a minimum.</p> <p>VITA incorporates in its contracts with suppliers and partners the obligation to comply with all existing laws and regulations. This includes the duty to comply with said laws and regulations and there are sanctions for breach of this obligation.</p>
<p><b>What are the Risk/s Identified?</b></p> <p>Legal, financial, operational and environmental risks due to non-compliance with laws and regulations protecting the environment.</p>		
<p><b>What are the Opportunity/ies Identified?</b></p> <p>Business continuity and minimal pollution contribution due to compliance with laws and regulations protecting the environment.</p>		

## SOCIAL

### Employee Management

#### Employee Hiring and Benefits

##### Employee data

Disclosure	Quantity	Units
Total number of employees <sup>6</sup>	672	
a. Number of female employees	262	#
b. Number of male employees	410	#
Attrition rate <sup>7</sup>	0.62%	Rate
Ratio of lowest paid employee against minimum wage	None	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	11.45%	6.10%
PhilHealth	Y	3.05%	4.15%
Pag-ibig	Y	21.37%	19.51%
Parental leaves	Y	6.49%	2.44%
Vacation leaves	Y	73.28%	65.85%
Sick leaves	Y	53.44%	38.78%
Medical benefits (aside from PhilHealth))	Y	16.41%	16.10%
Housing assistance (aside from Pag-ibig)	N	0	0
Retirement fund (aside from SSS)	Y	0	0.24%
Further education support	N	0	0
Company stock options	N	0	0
Telecommuting	Y	37.40%	8.29%
Flexible-working Hours	Y	17.56%	25.61%
(Others)	Y	0	0

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The data above includes only the regular and organic employees of VITA. With operations in Luzon, Visayas and Mindanao, it contributes to labor and	VITA provides benefits on top of the government-mandated benefits, such as providing them and medical benefits in addition to PhilHealth benefits,

<sup>6</sup> Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

<sup>7</sup> Attrition rate = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

<p>employment. It also helps promote local employment in Bulacan, Iloilo, Davao and all other provinces where it holds its operations. The number of regular employees increased by 53 in 2023 mainly due to the expansion of VITA's business as it entered new markets and launched new products/services that necessitated the hiring of new employees to support the growth. The attrition rate decreased by 0.52% in 2023. The company's thrust to having a healthy work-life balance, flexible and hybrid work arrangement, and better workload management contributed to the decrease in the attrition rate. It also contributes to its employees' welfare and quality of life by providing benefits other than and on top of the government-mandated benefits.</p>	<p>providing their qualified dependents medical benefits, PPEs, uniform, rice subsidy, seniority pay, transportation and meal allowances when applicable, mortuary benefits, hazard pay to qualified employees. It also engaged the services of a physician who can conduct physical examinations and check-ups to employees and who goes to the office and plants so that his/her services will be more accessible to the employees. VITA likewise allowed telecommuting and flexible working hours to its employees. It has a Crisis Management Team who ensures that safety measures are not only in place but are also consistently and strictly implemented to prevent accidents and illnesses from happening or spreading.</p>
<p><b>What are the Risk/s Identified?</b></p>	
<p>VITA recognizes that poor over-all well-being of the employees, unsecured workplace, low morale on the employees' part, or uncompetitive compensation and benefits package may result in higher turn-over rate of the employees, thereby increasing its attrition rate. An increase in attrition rate may, in turn, affect VITA's productivity outputs.</p>	<p>VITA continuously engaged with its employees through webinars on wellness and health, physical activities like Zumba and sports-related activities, safety seminars and trainings, emergency preparedness, and ensuring that the workplace is safe.</p>
<p><b>What are the Opportunity/ies Identified?</b></p>	<p><b>Management Approach</b></p>
<p>There is still an opportunity for sustained engagement with the employees to increase their involvement, morale, and over-all well-being, and maintain a harmonious working environment, thereby increasing employee retention and decreasing attrition rate.</p> <p>Availability of skilled workforce in the areas of operation and continuous provision of competitive compensation and benefits package to the employees continue to present an opportunity for VITA to sustain its employees' jobs and continuously provide more employment and livelihood to the residents in the areas of operation.</p>	<p>In addition to the foregoing, VITA regularly checks the laws and regulations on the minimum wage and benefits set by the government as well as industry standards and it benchmarks on similar companies within the industry to evaluate the need to update and increase its compensation and benefit package to ensure that the same is competitive, if not better, than the companies within the industry.</p>

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		

a. Female employees	6,922.67	Hours
b. Male employees	5,965.63	Hours
Average training hours provided to employees		
a. Female employees	9.60	hours/employee
b. Male employees	6.50	hours/employee

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Management Approach
<p>VITA’s training and development programs for its employees, whether internal or external, contribute to the employees’ personal and professional growth and efficiency in the performance of their tasks.</p> <p>In 2023, there was an increase of 4,125.70 training hours provided to the employees versus 2022 due to the increase in onsite and hybrid (virtual and onsite) trainings provided to the employees and the holding of compliance trainings to keep the ISO FSMS certification, in addition to the regular and compliance trainings being provided to the PCOs, Safety Officers, and Occupational Health Nurses. The feeds sales training conducted in 2023 also contributed to the increase in the training hours provided to the employees. There were also trainings on personal and leadership development from middle management and up, skills upgrade on food sales and leadership, technical know-how relevant to the employees’ duties and functions, compliance trainings for its various certifications. Trainings on the company rules and regulations were also conducted for the new hires. Some of these trainings were conducted in-house and some were conducted by third-parties.</p>	<p>VITA maintains a training schedule. Unless the relevant department requests differently, the trainings take place once a month. The majority of the trainings are focused and specifically tailored to the needs and demands of the departments and personnel. Based on the manner in which the training was delivered, VITA conducts a comprehensive post-training evaluation and feedback. In addition, it regularly assesses employees’ work to gauge their development and progress.</p>
What are the Risk/s Identified?	Management Approach
<p>Trainings that are irrelevant or ineffective have little to no impact on productivity.</p>	<p>In addition to the above, VITA has a database of trainings already provided and trainings that may still be provided to the employees to ensure that the trainings remain to be relevant and effective.</p>
What are the Opportunity/ies Identified?	<p>It also ensures that trainings attended by supervisors and up are cascaded to their teams within three months from the end of the training to ensure that all trainings benefit everyone in the team.</p>
<p>Employee access to outside training providers can support VITA’s ongoing efforts to develop new leaders, strengthen the management team, and improve organizational productivity and efficiency.</p>	

Labor-Management Relations

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

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce		%
% of male workers in the workforce		%
Number of employees from indigenous communities and/or vulnerable sector*		#

*\*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).*

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	Luzon – 845,100 Visayas – 340,544	Man-hours

	Mindanao – 432,879	
	Total: 1,618,523	
No. of work-related injuries	0	#
No. of work-related fatalities	0	#
No. of work related ill-health	0	#
No. of safety drills	Luzon – 2 Visayas - 2 Mindanao – 3	#

<b>What is the impact and where does it occur? What is the organization’s involvement in the impact?</b>	<b>Management Approach</b>
<p>Based on the data recorded by VITA’s Safety Officer, there was a total of 1,618,523 safe man-hours on its plants. The increase of 165,375 hours in the safe man-hours was primarily due to the absence of work-related injuries, ill health, and fatalities in 2023 in addition to the expansion of business for said year.</p> <p>In addition, at least 1 fire drill and 1 earthquake drill were conducted in 2023 in VITA’s Luzon and Visayas operations. In Mindanao, 2 fire drills and 1 earthquake drill were conducted in 2023.</p>	<p>VITA has an existing Safety Policy, the implementation of which is being monitored by a Safety Officer in all of its plants and offices. It promotes health and safety awareness to employees through its Safety Officer. It strictly implements all sanitary and biosecurity measures in place. In addition, VITA provides safety-related trainings and PPEs to its employees detailed in the plants.</p> <p>The Safety Officers also regularly sent the employees safety reminders by e-mails, especially during long weekends.</p>
<b>What are the Risk/s Identified?</b>	<p>VITA’s medical doctors and nurses are hands-on in monitoring health concerns of employees. In place are health/medical, hospitalization, and insurance benefits for employees and legal dependents, subject to applicable policies and procedures. VITA has also an emergency response team, first aiders, and fire brigade team in addition to the safety officers.</p>
<b>What are the Opportunity/ies Identified?</b>	<p>VITA also conducts regular hazard identification and risk assessment and appropriate mitigations are implemented to address any identified hazard and risk.</p>
<p>The identified risks present an opportunity to continuously train and educate the employees regarding the importance of compliance with all safety procedures, policies and measures being implemented by VITA.</p> <p>The consistency of e-mail and visual reminders, enhancement of health and safety protocols, and continuous and regular fire and earthquake drills can</p>	

help sustain the absence of work-related injuries, ill-health and fatalities.	
---	--

### Labor Laws and Human Rights

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

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		
Child labor		
Human Rights		

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>

### Supply Chain Management

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

\_\_\_\_\_

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance		
Forced labor		
Child labor		
Human rights		
Bribery and corruption		

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>



What are the Risk/s Identified?	Management Approach
What are the Opportunity/ies Identified?	Management Approach

## 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)
Feed mill operations	Iloilo		N	As discussed above, VITA contributes to local employment and job creation. However, in the pursuit of its operations, it is unfortunate that it also contributes to pollution through its GHG emissions, air pollutants, solid, water and hazardous wastes.	As mentioned above, VITA regularly conducts preventive maintenance of its equipment to minimize its emissions. It also ensures that all wastes are properly segregated. VITA also complies with all environmental laws and regulations.
	Davao		N		
Research and Development Farm Operations	Nueva Ecija		N	While VITA's R & D farm operations contribute to local employment and job	VITA ensures that all wastes are properly segregated. VITA also complies with all environmental
	Bulacan		N		

				creation, it also contributes to pollution through its air pollutants, solid, water and hazardous wastes.	laws and regulations, including safety measures in place.
--	--	--	--	---	---

*\*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		#

What are the Risk/s Identified?	Management Approach
What are the Opportunity/ies Identified?	Management Approach

## Customer Management

### Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	July 2023 (Feeds only):  Overall rating (nationwide) – 4/5  Product (color, size, texture, odor, weight, price) – 4/5.0  Performance of feeds – 4/5	N

	<p>Sales services – 4.30/5</p> <p>Marketing services - 4.10/5</p> <p>For Foods: Based on the customer satisfaction survey conducted in Central Luzon, overall rating is 3.73/5.0.</p>
--	---

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Management Approach
<p>Based on the customer satisfaction survey for feeds conducted last July 2023, the over-all rating of VITA’s feeds for farms and dealership was 4/5, which was higher than the over-all ratings for feeds in 2022.</p> <p>For foods, the survey conducted in Central Luzon resulted in 3.73/5.0. This survey measured the overall product services such as supply reliability, quality of products, and timeliness on customers’ concern.</p> <p>Quality products and excellent customer service translate to customer satisfaction, which in turn, contributes to VITA’s revenues. They create higher demand for VITA’s products and services, thus, necessitating additional manpower. It also contributes to the growth of its business partners.</p>	<p>VITA regularly engages with its customers, the manner and frequency of which depend on the type of product and customer needs and expectations. For feeds, VITA conducts annual or bi-annual customer satisfaction surveys to assess how VITA can improve its products, services, and processes. For distributors, feedbacks are usually given during the annual trade partners’ night and quarterly business reviews. For key customers, VITA conducts bi-annual business reviews with them, where they also give feedback to VITA.</p> <p>For end-users or consumers of VITA’s chicken products under the Cook’s brand, feedbacks may be given through VITA’s website, mobile and landline numbers, e-mail, and social media sites.</p>
What are the Risk/s Identified?	
<p>Poor customer satisfaction can lead to loss of customers and harm to reputation, particularly, if dissatisfied customers express their grievances on VITA’s social media platforms.</p>	
What are the Opportunity/ies Identified?	
<p>There is still an opportunity for sustained and continuous customer satisfaction surveys for both feeds and foods to gauge and further improve VITA’s brand offering based on its customer needs and</p>	

expectations. In addition, there is still an opportunity to streamline the feedback mechanism for both feeds and foods products of VITA.	
--	--

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	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
For 2023, there was no substantiated complaint against the health and safety of VITA’s products. Thus, it was not exposed to legal, operational, and financial risks related to product health and safety.	<p>VITA takes into consideration the health and safety of its feeds for consumption of poultry and livestock. It also requires its growers and breeders to follow the best practices in growing and raising poultry.</p> <p>VITA has Quality Assurance team that ensures the health and safety of the products processed at accredited processing plants and delivered to customers.</p> <p>VITA’s dressing plant operated by third parties and VITA’s toll partners are NMIS/FDA accredited. Good Manufacturing Practices and Food Safety Systems are being implemented and safely and strictly followed.</p> <p>Some of VITA’s plants are certified by Hazard Analysis Critical Control Points (HACCP), which is a testament that VITA’s production process and food safety program are at par with internally recognized standards. Moreover, VITA’s Iloilo and Davao feed mill plants are FSMS ISO 22000:2018 certified, meaning that the food safety management systems in place in these plants passed internationally recognized standards. VITA’s dressed chicken and value-added products under the Cook’s brand are likewise Halal certified, meaning that the products were processed</p>
<b>What are the Risk/s Identified?</b>	
Failure to maintain the health and safety of its products exposes VITA to legal, operational, reputational and financial risks.	
<b>What are the Opportunity/ies Identified?</b>	
Keeping and ensuring the products’ health and safety to avoid legal, operational, reputational and financial risks.	

	following Islamic law. Likewise, established environmental monitoring and product testing are being done to ensure and verify the safety of the product. VITA continuously holds trainings related to food safety to comply and maintain with regulatory, statutory, and customer specifications and requirements.
--	--

*Marketing and labelling*

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	1	#
No. of complaints addressed	1	#

*\*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
For 2023, there was one complaint in VITA’s megadealer in Davao regarding the packaging materials for commercial layer and hogs – particularly on faded label prints and loose weaving and quality of woven sacks for feeds. VITA had taken steps to improve the design and minimize errors on label prints as well as on the quality of the sacks for feeds.	To address the complaints on the packaging, VITA updated its label design as well as improving the print quality and specification of its woven sacks. These will be implemented within 2024. In addition, VITA has Quality Assurance personnel to ensure not only the health and safety of its products but also the proper packaging and labeling of each item. Further, prior to launching and using a particular packaging for a product, internal surveys among the employees are conducted to test run the intended packaging. These surveys are signed-off by the marketing, sales, quality assurance and R&D departments.
What are the Risk/s Identified?	
Faded label prints gave an impression that VITA’s products are old/expired. The loose weaving of the sacks exposes the feeds to infestation. Both the foregoing may negatively impact VITA’s branding and sales.	
What are the Opportunity/ies Identified?	
The complaints received in 2023 provide an opportunity to further improve its branding and labeling and the quality of its packaging materials, particularly, woven sacks.	

Customer privacy

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

\*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.

<b>What is the impact and where does it occur? What is the organization’s involvement in the impact?</b>	<b>Management Approach</b>
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>

Data Security

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

<b>What is the impact and where does it occur? What is the organization’s involvement in the impact?</b>	<b>Management Approach</b>
For 2023, VITA did not experience data breach, leak, theft or even loss. All data regarding its business operations, trade secrets, employees, suppliers, and customers are intact and secured. Since it was able to keep its data secured, its business operations and supply chain remained undisturbed and its business operations and supply chain were not exposed to legal, financial and operational risks.	VITA has an IT department in charge of maintaining the integrity and security of data stored electronically as well as the maintenance and security of all computers used by the employees. It has also developed a safe-keeping system of all its contracts, records, and important documents to protect the data in the said contracts, records or documents. Only those that have a “need” to access these documents may be allowed access to the said records, contracts, or documents and the information contained in those records, contracts or documents must be used only for a legitimate purpose. In 2023, the IT department completed an active directory in Luzon, which limits the non-business activities that
<b>What are the Risk/s Identified?</b>	
Breach of data security exposes VITA, its directors, officers, and employees to legal, operational, financial and reputational risks.	

<b>What are the Opportunity/ies Identified?</b>	can be done using VITA's computers, internet, and mobile phones within and outside company premises and ensure that those who access VITA's data are those who have a need-to- know. VITA also renewed existing endpoints, firewall, and SSL to protect and secure data.
The development and implementation of the active directory in Visayas and Mindanao operations will give the same protection as the data in Luzon.	

## 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
Animal Feeds	<p><b>SDG Goal 2: Zero Hunger</b></p> <ol style="list-style-type: none"> <li>Continuous provision of healthy and safe feeds for animals and foods for people.</li> <li>Lifetime Profitable Partnerships with its business partners, suppliers, customers and employees.</li> <li>Higher allocation of VITA's procurement budget to local suppliers.</li> <li>Increased and strengthened support to local agriculture.</li> <li>Continuation of the Green Sanctuary Program.</li> </ol> <p><b>SDG Goal 8: Decent Work and Economic Growth</b></p> <ol style="list-style-type: none"> <li>Continued economic growth of VITA and contribution to its stakeholders' economic growth.</li> <li>Job creation, competitive compensation</li> </ol>	<ol style="list-style-type: none"> <li>Shortage of natural resources.</li> <li>Waste generation.</li> <li>Pollution contribution.</li> <li>Contribution to Climate Change.</li> </ol>	<p>As disclosed in the previous topics, VITA continuously evaluates its strategies and modifies them as may be necessary to adapt to the changing landscapes, provide solutions to challenges encountered, and pioneer innovations. VITA operates within the parameters of law, regulations, its ECC and it shall continue to look for solutions to further mitigate, manage, and reduce its contributions to pollution and climate change as well as to further reduce the wastes it generates/produces from its operations. It shall continue to regularly maintain and upgrade its equipment and facilities.</p>
Animal Health Care			
Chicken (Dressed and Value-Added Products under the flagship brand "Cook's")			

	<p>packages, and career growth opportunities.</p> <p>3. Full, productive, efficient, healthy and safe workplace.</p> <p>4. Continuation of the Green Sanctuary program.</p> <p>5. Higher allocation of VITA's procurement budget to local suppliers.</p> <p><b>SDG Goal 12: Responsible Production and Consumption</b></p> <p>1. Efficient use and management of natural and non-natural resources.</p> <p>2. Compliance with environmental laws and regulations, including compliance with EPR Act.</p> <p>3. Completion of Solar Energy Project in Iloilo feed mill.</p> <p>4. About 92.07% of procurement budget was spent on local suppliers.</p> <p>5. Healthy and safe feeds and food.</p>		<p>VITA is continuously improving and innovating its operations and processes to manage its negative impacts to the economy, environment, and society as well as to have continuous LPPs with its stakeholders.</p>
--	--	--	---

*\* None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*



