SHAPING LANDSCAPES
SUSTAINABILITY REPORT 2018
Over the years, the number of businesses and organizations influenced by PBE into making the shift towards sustainability has visibly grown. The cover design highlights today’s landscape—the manifestation of more entities consciously working towards the same goal—and its progression since PBE’s incorporation in 1992.

ABOUT THE COVER
GRI is pleased to announce that

**Philippine Business for the Environment, Inc.**

is a GRI Certified Training Partner in the Philippines for the duration of
1 August 2018 - 31 July 2019

Nominated trainers that are eligible to deliver Certified Training Courses within the license period

- Bonar Alas Laureto
- Joseph Benjamin Billones de la Torre

Alyson Sister
Chief of Network Engagement - GRI
The Philippine Business for the Environment (PBE) is a non-stock, non-profit organization established in January 1992 to assist companies in exploring the vital connections between business and the environment. In the past 25 years, PBE has led sustainability management initiatives in the Philippines that influenced both private and public sectors to contribute to the achievement of the Sustainable Development Goals (SDGs).

As the Global Network Partner of the World Business Council for Sustainable Development (WBCSD) in the Philippines, we also play an integral role in creating awareness, promoting action, and enabling an environment where businesses are committed to scale up solutions for a sustainable world.

We are the Philippines’ Certified Training Partner of the Global Reporting Initiative (GRI), a globally-recognized standards organization that pioneered sustainability reporting. We collect data, process information, and identify sustainability reporting trends in the Philippines to be added to GRI’s Sustainability Disclosure Database.
MESSAGE FROM THE CHAIRMAN AND THE PRESIDENT

Dear Partners,

In support of PBE’s mission to spread knowledge and best practices on sustainability management and to bridge the business sector to various stakeholders, it is our pleasure to introduce PBE’s first Sustainability Report and performance for the year.

PBE has been instrumental in shaping the landscape of sustainability in the Philippines for the past 26 years. During the early 1990’s businesses were viewed as antagonists of environment and those that strived to protect it. Since then, working together with businesses, we have dispelled this notion by instead actively promoting responsible business practices through publications and forums. Building from awareness, we then widened our influence through capacity building of companies in order to have more sustainable practices. From then on, we, with the private sector, have grown to harness opportunities that go beyond reporting and obtaining a seal of good housekeeping from a certifying agency. We will continuously assist our partner companies to create business value through their sustainability initiatives while contributing to global outcomes that create positive societal impact within the framework of the Sustainable Development Goals (SDGs).

Shaping Professionals, Companies, and Ecosystems

Our value contribution is measured by the sustainability maturity of companies we assisted and the impact of the systems transformation we enable. In this report, we looked into three performance areas: 1 the reach of our capacity building sessions, 2 sustainability and integrated reports we helped publish, and 3 partnerships with government, multilateral institutions, sustainability advocacy groups, industry organizations, and businesses.

PBE has equipped professionals with knowledge and skills to champion sustainability in their respective companies through more than 33 recorded learning sessions. These tackled a range of topics on the
environment, value chain, and social impact. From 2013 to June 2018, we have trained 192 professionals on sustainability reporting using global standards, a task we gladly take as GRI’s Certified Training Partner in the Philippines; We have also trained around 228 professionals on greenhouse gas inventory and management using the GHG Protocol as global reference.

We now have 57 member companies from various sectors including financial services, real estate, manufacturing, forestry and agriculture, power, oil and gas, and utilities, as well as conglomerates. They enrich our shared experience as an industry organization, where we collectively have an array of best practices as each company integrate sustainability in the core business. Companies have also matured in reporting their financial and non-financial performance. Through the assistance of PBE, a total of 29 sustainability and integrated Reports have been published. Apart from disclosing information on economic, environmental, and social impacts, we have helped businesses understand and report their contributions to the SDGs. Together with the United Nations Development Programme (UNDP) Philippines, we published the Transformational Business, accounting these contributions and the SDG Reporting Guidance Document.

We recognize that scaling our impact requires us to move beyond the business community. PBE has also reached out to vital partners such as the government through the Securities and Exchange Commission (SEC), Climate Change Commission (CCC), multilateral organizations like the United Nations Development Programme (UNDP), and other sustainability advocacy groups and industry organizations like the Earth Security Group (ESG), Philippine Alliance for Recycling and Materials Sustainability (PARMS). These partnerships allow us to shape an enabling environment for the private sector to scale up its positive impacts. Consequently, we also learn from the government, civil society, and the global community on how we bridge sustainable development gaps.

Our collaboration with our stakeholders has helped prepare our member companies and the private sector to comply with policy reforms that serve as government measures to address environmental and social challenges and to meet government obligations arising from international commitments.

**The People Behind**

All these would not have been possible without the guidance of the members of the Board of Trustees, who provided us the vision for the organization, and the dynamic Secretariat, who actively implements projects and programs anchored to that vision.

As we move halfway through the year, we account our contributions through this report. We encourage you to read on and, with us, look forward as we continue to shape the sustainability landscape.
CONVERSATION WITH THE EXECUTIVE DIRECTOR

You became PBE’s Executive Director in 2011. How was PBE then and now?

When PBE was established in 1992, the board of directors and advisers, who were business thought leaders, envisioned a platform for business to converge under a common agenda of environmental management. Key issues back then were compliance to regulations, pollution prevention, responding to environmental activism, and advancing knowledge in global environmental trends.

When I joined in 2011, it was clear to me that the needs of our members have shifted towards the broader sustainability agenda. We realized that we also need to shift our strategy and focus. During such time, we slowly moved from high dependence on grants towards delivering more value-creating advisory service to our members.

It is also apparent that the issues we are tackling today are far more complex than they were ten to twenty years ago. Most of these challenges can only be addressed when a group of stakeholders in business, government, and consumers work together.

What is PBE’s strategy in response to this shift in business needs and interests towards the sustainability agenda?

Since 2011, we began building internal expertise and capacity to deliver advisory services to our members, ranging from GHG Accounting and Management, Social Impact Management, to Sustainability Reporting. We positioned PBE as the partner of business throughout their sustainability maturity journey. PBE provides
support from the early stages of capability building, materiality, towards building a robust data management system, strategy and performance management, and target setting.

We see sustainability reporting as the key milestone of a company's sustainability journey. More than the report that we help publish, the reporting process itself serves as means for business to take stock of where they are and how they can improve. Thus, we take each step with careful consideration of the unique circumstances of the company and their stage in sustainability maturity. Over the years, I have witnessed how this strategy has created transformational change in perspectives and practice of many business organizations we have worked with.

Realizing that our sustainable development challenges are too complex for any single company to address, PBE facilitates multi-stakeholder collaboration to implement transformational business solutions in Circular Economy, Mobility, and Agriculture and Ecosystems. Our biggest asset is our unique understanding of the strengths and expertise of our different members and the relationships we have forged with them over the years. This allows us to strategically pool together targeted resources and expertise to collectively address systemic problems in society.

Through PBE, corporate citizens with different strengths and resources meet and complement to provide business solutions within an ecosystem of actors and stakeholders.

What challenges do you foresee in sustainability?  
How is PBE preparing for these?

The challenge is always that there is still so much to be done, but there are too few hands and too little time. If we don't bring our solutions to scale quickly, it will get overtaken by the rate of which our challenges are increasing every day, may it be in mobility, agriculture, waste, or climate change.

We view this with optimism and inspiration to be more effective in the way we engage with more partners whether government, business, or multilateral agencies. We will continue to improve our internal expertise and capacity, keep track of the constantly changing needs of our members, and build collaboration models that benefit everyone.

We also need to intensify our efforts in working with the government to create enabling policies and remove barriers to private sector investment in key sustainable development areas. Once capital investments are unlocked, businesses will inherently find ways to bring solutions to scale, while making them efficient, value-adding, profitable, and sustainable.

PBE is a non-profit industry organization and we continue to operate as such. We ensure that our financial position remains strong to support the different programs and projects that we implement. As we continue to build more expertise and grow our human capital, we see limitless possibilities ahead.

MR. BONAR LAURETO  
Executive Director  
Philippine Business for the Environment
This Sustainability Report of the Philippine Business for the Environment (PBE) commemorates our 25th founding anniversary in 2017. This is our organization’s first published report, and is a testament to our leadership in sustainability. PBE strives to transform the local private sector and help businesses play conscious and strategic roles in contributing to society’s sustainable development.

We are a Certified Training Partner of the Global Reporting Initiative (GRI), a globally-renowned standards organization that pioneered sustainability reporting. This report has been prepared in accordance with the GRI Standards: Core option.

**REPORTING PERIOD**  January 2012 to June 2018

**REPORTING CYCLE**  Biennial

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1.0 AT A GLANCE
OUR STORY

Upon signing the 1992 Earth Summit, the government of the Philippines has been constantly looking into many different initiatives to improve the environmental situation of our country. Everyone looked to the private sector for solutions and often times, for blame. This landscape painted the need to organize a business association that fosters knowledge sharing and collaboration for implementation of solutions.
Low consciousness of many businesses on environmental issues and impact management

Lack of accessible information on sustainable business practices, tools, and approaches to manage environmental impacts

First Cleaner Production Conference
Active participation in the Pasig River Rehabilitation Program
Turn over of the Industrial Waste Exchange Program from Department of Environment and Natural Resources-EMB to PBE

Establishment of the Environmental Information Center for Business and Industry
First EnviroTech, the International Trade Fair on Green Products Green Technologies
Launch of Environmental Management Manual for Restaurant Operations (EMMRO)
OUR STORY

Emergence of measurement and reporting tools and processes that will help businesses measure their environmental impact

GHG PROTOCOL ACCOUNTING AND REPORTING STANDARDS AND TOOLS WORKSHOP
with World Resources Institute, Klima Climate Change Information Center, and World Business Council for Sustainable Development

THE LANDSCAPE

Start of the Sustainable Mobility project

Recyclables Collection Event

Continued publication of the Business and Environment Magazine
Increasing business concern on the impact of conventional farming on the environment, human health, and local economies

Capacity Building on CP Tools: Emergency Medical Services, Life Cycle Analysis, GHG accounting, Materials and Energy Efficiency Waste Minimization

Institutionalization of Sustainable Development in Business

Earth Day Recyclables Collection Event

Publication on the measurement of carbon footprint for companies
OUR STORY

THE LANDSCAPE

Start of the growing interest in reporting the non-financial performance of businesses

OUR CONTRIBUTION

Corporate GHG and Air Emissions Accounting and Inventory Development Programs

Launch of Business Climate Imperative under the Philippine (Climate) Imperative

Business Climate Action Summit

Green Procurement Seminars
Heightened consciousness among businesses on the opportunities and risks in the sustainability sphere, and their capacity to contribute and create impact on the country’s sustainable development

1st Sustainability Collaboration Meeting on Wastewater Management

Responsible Business Forum on Food and Agriculture

Formation of Business workgroup on Sustainable Forestry

Conference on Inclusive Business Growth

2nd Annual Power & Electricity World Philippines 2015

PH businesses to incorporate shared value in their operations

Embedding Sustainability: A Master Class for Sustainability Practitioners

Training on Eco-safe Driving and Clean
Part of the Philippine Alliance for Recycling and Materials Sustainability (PARMS), a coalition of key stakeholders on the recycling value chain that aim to improve waste recovery and reduce landfill dependency.

Developed the Low Emission Development Strategy (LEDS) and Roadmap for the Private Sector of the Philippines with the Climate Change Commission.

Last November 21, 2017, PBE held its Annual General Members’ Meeting, with the theme “Partnerships for Scaling Impact,” at the Manila Golf Club inTaguig City to discuss the organization’s key milestones, financial position for 2017, and strategies for 2018, and to elect a new set of Board of Trustees.
Launched the “SDGs is Our Biz” project on September 30, 2017 in partnership with the United Nations Development Programme (UNDP)

Pioneered a Sustainable Mobility Project together with Pilipinas Shell in Cagayan de Oro City to address transportation and mobility issues

PBE Executive Director Bonar Laureto presented Philippine’s Action 2020 in the World Business Council for Sustainable Development (WBCSD)’s Atlanta Council Member Week held on November 6, 2014.

GHG INVENTORY AND MANAGEMENT
More than 12 trainings conducted

Grew from 5 employees in 2012 to 17 in 2017

More than 33 recorded learning sessions on sustainability topics conducted
SUSTAINABILITY FRAMEWORK

Transforming businesses from an ecosystem standpoint has been the core of PBE’s shared value strategy since we transitioned from addressing environmental issues alone to undertaking the broader case of sustainable development. We act on this imperative through:

**Supporting companies throughout their sustainability journey**

For the private sector landscape, we offer consultancy services to help companies recognize both their positive and negative impacts on society and build their sustainability strategy moving forward.

We do this through capacity building initiatives, reporting services, and performance management.

**Creating systems transformation in key sustainable development areas**

We also drive business solutions to development problems through innovation in the form of systems transformation, particularly in the industries of mobility, circular economy, agriculture, and forestry.

**Fostering organizational and influential growth in the sustainability landscape**

As our influence in the field of sustainability widens, we also ensure the growth of our organization’s operations and member base, continuous engagement with our trustees, and skill development of our staff.
SUSTAINABILITY FRAMEWORK

CAPABILITY BUILDING ON SUSTAINABILITY
- Certified Trainings
- Materiality Workshops
- Learning Sessions

SUSTAINABILITY & INTEGRATED REPORTING ADVISORY
- SDG Reporting Guide
- Data Management System
- Stakeholder Engagement

CIRCULAR ECONOMY
- Solid Waste Management
- Materials Exchange Program
- Partnership with PARMS

MOBILITY SOLUTIONS
- First and Last Mile
- Telecommuting Solutions
- Sustainable Mobility Project

TRUSTED BRAND

STAFF DEVELOPMENT
With the United Nation’s Sustainable Development Goals (SDGs) as anchor, PBE will continue to shape landscapes towards a more sustainable future.
SR 101 PUBLICLY-OFFERED TRAINING
Forum on basic concepts of corporate sustainability and environmental trends which can pose risks and opportunities to businesses and their operations.

GHG MANAGEMENT AND INVENTORY TRAINING
Training and general discussion on greenhouse gases (GHG) and monitoring and management of its emissions based on the GHG Protocol Corporate Standard.

GRI STANDARDS CERTIFIED TRAINING COURSE
Workshop on the first global standards for sustainability reporting which features modules and the best practices on reporting economic, social, and environmental impacts.

LEARNING SESSIONS
Forums and workshops on various sustainability topics including mangroves, forest products, responsible production, impact frameworks, communications, and others.

SOCIAL IMPACT ASSESSMENT
Survey and analysis on the impacts of a company’s operations on its neighboring communities which aims to strategize and enable better relationships with stakeholders.

OUR PORTFOLIO
SUSTAINABILITY ADVISORY SERVICES

Capability Building on Sustainability
Sustainability & Integrated Reporting Advisory
Strategy & Performance Management
STAKEHOLDER ENGAGEMENT
Study on the identified key stakeholders of a company, their concerns on relevant material factors, and the company’s response to these concerns

MATERIALITY WORKSHOP
Workshop for companies to determine material topics which will reflect their economic, social and environmental impacts to be included in their sustainability report

SDG REPORTING GUIDE
Guidance document containing targets and points for businesses to better report their contribution and align their strategy to the Sustainable Development Goals (SDG)

DATA MANAGEMENT SYSTEMS
Data tool customized to make the process of data gathering for Sustainability and Integrated Reports easier and more convenient for client companies

INTEGRATED REPORTING ADVISORY SERVICE
Advisory service that identifies and links the key capitals, market outlook, risk management, and strategies of a company into a comprehensive integrated business framework

SUSTAINABILITY REPORTING ADVISORY SERVICE
Advisory service for the preparation of a sustainability report which includes building a sustainability framework, identifying material topics, gathering data, and writing narratives

KEY RESULTS AREA ASSESSMENT
Identification of strategic factors that a company can use as metrics to set strategic goals that will contribute to their overall strategy and long-term vision
**MOBILITY SOLUTIONS**

In 2016, there were more than 2.4 million vehicles jostling for space in the streets vehicles jostling for space in the streets affect productivity of both businesses and individuals. To help alleviate this, PBE is developing three approaches:

1. **Decrease private car usage in the roads**

   The first approach is the First and Last Mile concept where a first and last mile connectivity system will be created that will complement existing mass transport systems, specifically P2P buses.

2. **Reduce the number of people who travel**

   The second approach is by developing a telecommuting program that will blend current technologies and progressive HR practices which will allow employees to cut unproductive time spent in queues and traffic by working at home or nearby work hubs.

3. **Help plan sustainable mobility with local government**

   The last one, called Sustainable Mobility Project (SMP), uses a framework developed by WBCSD to support integrated planning and implementation of urban sustainable mobility relying on a fact-based and collaborative approach. SMP is being implemented in Cagayan de Oro City where we are working with the LGU in improving the mobility situation in the city.
**CIRCULAR ECONOMY**

Industries working together to create a seamless exchange of material and waste is the goal of industrial ecology. Efforts have been done where several sectors are working together to form an industrial ecosystem benefitting off each other’s products, byproducts, and excesses, producing a circular economy.

PBE is undertaking studies that aim to consolidate existing efforts among industries and within conglomerates. This will add economic value through operational efficiency and cost savings, mimicking a circular economy among entities. This is done specifically by:

1. **Identifying material inputs and outputs, including byproducts and wastes**
2. **Locating gaps in these flows and opportunities for linkages with other entities**
3. **Identifying adjustments needed to make material flow linking possible**
4. **Mapping their destinations through systematic material flow analysis**

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**AGRICULTURE & ECOSYSTEMS**

Farmers and fishermen still count among the sectors with the highest poverty incidence in 2015. Farmers posted a 34.3% poverty incidence while fishermen posted 34.0%.² Among the main causes of this is lack of access to credit and markets for the farmers. PBE aims to address this through building a business model that will create links among farmers, markets, and financial institutions.

The idea is to enable smallholder farms through trainings and technology. This will allow them to supply quality crops and livestock to supermarkets. Purchase orders from this linkage can serve as proof of bankability for farmers, which can open credit access opportunities for them.

Aside from agriculture, there are also numerous opportunities for investments on Ecosystem-Based Adaptation projects which include areas on land conservation, natural infrastructure, and business innovation.
2.0
OUR PERFORMANCE
CAPACITY BUILDING

Spreading awareness on the evolving context of sustainable development and the emerging risks and opportunities that it entails to business operations is a vital aspect in how we capacitate businesses to be sustainable. We do this primarily through events and workshops where we discuss contexts and trends that surround the sustainability landscape.

Among the learning sessions we conducted include topics on the environment (energy efficiency, waste management, life cycle analysis), communication, value chain, mangrove rehabilitation, and social impact assessment.

2012  Green Philippines: Islands of Sustainability Communicators’ Forum

2013  PBE e-Learning with Educated Change Sustainable Forest Products Certification Forum Training on the Intergovernmental Panel on Climate Change Assessment Report

2014  Responsible Business Forum Mangrove Forum

2017  Sustainable Development Goals Roadshow in Manila, Davao, and Cebu

CERTIFIED TRAININGS

GRI G4 / GRI STANDARDS CERTIFIED TRAINING

Global Reporting Initiative as Global Reference

Trainings conducted  6
Participants  192

GHG INVENTORY AND MANAGEMENT TRAINING

GHG Protocol as Global Reference

Trainings conducted  12
Participants  228

Aside from building stories and context, PBE also offers assistance on technical topics such as the GRI Standards and Greenhouse Gases Inventory & Management. We provide trainings that help companies become more equipped with the necessary knowledge, tools, and thinking processes that will make their businesses more sustainable.
Recognizing a company’s environmental, social and economic impacts can influence how a company formulates its sustainability strategy. PBE initiates this by means of providing advisory services on sustainability and integrated reporting. With the GRI Standards and International Integrated Reporting Council as basis, PBE upholds these global standards’ principles and guidelines in assisting companies.

We also innovate on our reporting processes. Since data gathering and analysis is one of the most crucial parts of the project, we create data management systems that are fit for the companies we assist.

PBE, in partnership with United Nations Development Programme, published “Transformational Business,” which exhibits contributions of the Philippine private sector to the SDGs. We are also developing metrics to measure these contributions, a recognition system, and an assurance protocol.

A shift from Sustainability Reporting to Integrated Reporting commenced in 2016, which indicated how companies continue to innovate towards a more comprehensive and transparent corporate reporting.
The global growth in non-financial performance reporting is driven by both regulatory and voluntary processes. In the Philippines, the Securities and Exchange Commission (SEC) released a draft requiring publicly-listed companies to publish a sustainability report based on the GRI standards. With this, the recorded number of 15 reports in the GRI database as of January 2017 is expected to exponentially increase in 2018. Examples of voluntary processes include Integrated Reporting (IR) by the International Integrated Reporting Council (IIRC), and the Sustainability Standards by Sustainability Accounting Standards Board (SASB).

Globally, businesses are recognizing the significance of reporting their contributions to the SDGs and its alignment to their strategy. As of June 2018, PBE has assisted a total of 29 Sustainability and Integrated Reports from various industries such as real estate, holdings, banking, utilities, construction, oil and gas, and food and beverage.

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### INDUSTRIES COVERED BY PBE REPORTS

- Oil & Gas
- Construction
- Food & Beverage
- Utilities
- Banks
- Holding Companies
- Real Estate

### REPORTING TRENDS

- **79% of reports** acknowledge the SDGs in some way.
- **45% of reports** have aligned their sustainability strategy to the SDG criteria.
- **6% of reports** have aligned their strategy to specific target-level SDG criteria and measured their contributions.

Globally, businesses are recognizing the significance of reporting their contributions to the SDGs and its alignment to their strategy.

PBE will continue to be a reliable technical provider in the sphere of non-financial performance reporting.

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CREATION OF SYSTEMS TRANSFORMATION

Beyond being our client’s sustainability partner, PBE also serves as a linkage for private sector collaboration to transpire.

◆ SUSTAINABILITY REPORTING GUIDELINES FOR PUBLICLY-LISTED COMPANIES

In their effort to promote sustainability and measure the private sector’s contribution to the SDGs, the Securities and Exchange Commission (SEC) has released a draft for the guidelines that will require publicly-listed companies (PLCs) to publish Sustainability Reports in July 2018. As a certified local partner of the GRI and an experienced trainer on the subject matter, PBE provided assistance in crafting the said document. We have also been instrumental in cascading the information to PLCs.

◆ SUSTAINABLE MOBILITY SOLUTIONS PARTNERSHIP

Following the lead of World Business Council for Sustainable Development (WBCSD), Sustainable Mobility Solutions Partnership (SMSP) aims to deliver safe and low-impact mobility for both goods and people. Through this program, PBE brings together a cross-sector group of mobility-related companies. The SMSP process in cities starts with
the calculation of 22 sustainable mobility indicators to identify the city’s priority areas. Based on local circumstances and results, a set of mobility solutions including finance options is developed. This is currently being implemented in Cagayan De Oro, in partnership with Shell Philippines.

**SDGs is our biz project**

In partnership with the United Nations Development Programme, PBE launched the SDGs is Our Biz project, which aims to encourage businesses to align their strategies and targets to the SDGs. As of 2017, we have released Transformational Business, which features the contributions of the private sector to the SDGs, and the SDG Guidance Document, a guide for businesses as they venture into SDG reporting. The next steps would be the establishment of governance and a publication following Transformational Business.
Ecosystem-based Adaptation (EbA) is a holistic adaptation approach that takes biodiversity and ecosystem services into consideration. In partnership with Earth Security Group, we are implementing a 2-year EbA project to mobilize business opportunities to deploy commercial capital for environmental resilience and climate change efforts. The key areas identified and discussed during the private sector workshop are:

- Natural Infrastructure Finance
- Insurance Products
- Land Conservation Funds
- Business Innovation Incubator

Following this is a public sector brief and workshop happening in early 2019.
**PHILIPPINE ALLIANCE FOR RECYCLING AND MATERIALS SUSTAINABILITY**

The Philippine Alliance for Recycling and Materials Sustainability (PARMS) is an association where different stakeholders across the waste value chain come together to develop and implement holistic solutions towards increasing resource recovery and reducing landfill dependence. As one of its members, PBE takes part in developing its program in partnership with nine fast-moving consumer goods companies. Aside from setting up a Plastic Recycling Facility in Paranaque City, this includes an integrated system to support its successful operation, including post-consumer laminates collection, information, education, and communication (IEC) campaign, and market development.

**FIRST AND LAST MILE CONNECTIVITY**

First and Last Mile Connectivity aims to complete the journey from people’s homes to their destinations and vice versa by filling in the routes to narrow roads for mass transport systems. This system will provide the convenience and level of comfort of private vehicles and will give an option for owners to leave their cars behind. To enable this, we have been meeting with key stakeholders such as business district administrators and potential connectivity providers and operators. Response has been positive.
3.0
OUR GROWTH ENABLERS
STAKEHOLDER RELATIONS

Our stakeholders are vital components to our value creation process. We make their needs and interests as stakeholders, and the opportunities and risks in the development context meet. By constantly engaging them, we become aware of their concerns and insights which allows us to look at sustainability issues on a multi-dimensional perspective, thus making our projects and services more innovative and impactful.

MEMBERS

Our members are first in mind when we ideate on sustainability solutions. We look into their capabilities, strengths, needs, and gaps to develop programs that will address environmental and societal pain points. We build our relationship with them through exploratory meetings, training sessions, public seminars, collaborative development projects, and events, such as the PBE Annual General Membership Meeting.

EMPLOYEES

We cultivate a balanced mix of professional experience, technical competency, and social rapport among our employees through mentorship, team building exercises, planning activities and sharing sessions. Through these channels, we equip them with skills that are instrumental as they engage with other stakeholders. We also provide them with venues for leisure through team outings, Christmas party, and sports fests.
Aside from being well-informed on the news and trends in the private sector industries, PBE also considers national issues and government projects in which PBE can add value to. Through our advisory programs and technical expertise, we provide public initiatives support in promotion, research, regulation, and execution. We reach out to them through meetings, consultations, roundtable discussions and trainings.

**PRIVATE SECTOR**

We engage with the rest of the private sector through our publicly-held trainings, specialized workshops, conferences, summits, and exploratory meetings on development projects and consultancy services. These serve as our avenues where we introduce systemic solutions to sustainability issues and latest trends in the non-financial reporting sphere.

**INTERNATIONAL ORGANIZATIONS AND LOCAL INDUSTRY PARTNERS**

We collaborate with various international and local organizations, and funding entities whose project ideas align and complement with ours. This brings forth innovative development programs that we help implement. We get involved in these partnerships through exploratory meetings, events and constant correspondences.
TRUSTEES ENGAGEMENT

Our Board of Trustees has served a critical role in getting PBE to where it is today. As key business leaders in their respective industries, they have used their influence to help promote sustainability in the private sector. Their credibility and connections built PBE’s business linkage to different organizations which enabled us to widen our reach in mainstreaming sustainability. In addition to this, they have provided invaluable support to our projects through both financial means and sharing of their experience and expertise.

We have continued to nurture our relationship with our trustees throughout the years. As part of our engagement efforts, we involve our Board of Trustees in our events and projects. We hold Annual General Meetings (AGM) where our Board of Trustees, member companies, and secretariat are present to elect and induct a new set of trustees, discuss membership matters, celebrate PBE’s accomplishments for the year, and explore ways forward. We also do partnerships for workshops and forums, and collaborate on various development projects.
PBE’s Board of Trustees is composed of the country’s leading executives and thought leaders. It is the primary governing body of our organization. The key officers of the Board are the Chairman, President, Secretary, and Treasurer. The following are the members of the PBE Board as of the end of November 2017.

**BOARD OF TRUSTEES**

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Chairman Investcorp, Inc.

RICHARD B. TANTOCO  
President President and COO Energy Development Corporation

EDITHA I. ALCANTARA  
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President Bank of the Philippine Islands

**ADVISORY COUNCIL**

GRACE F. FAVILA  
Chair Former Executive Director Philippine Business for the Environment

JESUS REYES  
Member VP Corporate Affairs Nestlé Philippines

AGNES C. DE JESUS  
Member Chief Sustainability Officer First Philippine Holdings

EDITH G. CABRERA  
Member Head CTESG, Safety & Environment Petron Corporation
The field of sustainability brings together perspectives from various industry backgrounds. Because of this, PBE recruits its employees from a diverse set of backgrounds and expertise ranging from environmental science, biology, chemical and industrial engineering, business, design, and information technology. We foster interdisciplinary collaboration to ensure quality service and a holistic approach in the way we conduct our business.

In 2017, an average of 66 hours of training per employee was recorded.

As we grow our organization, we make sure that the individual skills and personal development of the PBE employees grow as well. We initiate this through providing different learning platforms, field experience, and practical training.

Formal training cover workshops & forums attended. Informal training topics include internal sharing sessions and mentorship discussions among our team.
Among the training topics we had in 2017 were on GRI Standards, GHG Inventory & Management, Systems Dynamics, Integrated Reporting, Ecosystem-Based Adaptation, Carbon Neutrality, and Sustainable Development Goals Ecosystem. From 2012 to 2016, PBE employees also attended the following forums & trainings:

- **2012** Unlocking the Code of Social Entrepreneurship
- **2013** GRI G4 Certified Training
- **2014** Developing Business Case, National Consultation Meeting on the draft PPP-ENR Guidelines

**WORKPLACE CONDITION**

PBE provides its employees with avenues such as sharing sessions, ideation meetings, and roundtable discussions to exchange and generate unique ideas for proposal and implementation. This fosters a collaborative environment where passion and innovation are encouraged. We also practice results-based work practice which allows our employees to maximize productivity. They are allowed to report in the most accessible alternative working space in their most convenient time to enable them deliver quality output. In the same manner, our teams are flexible and highly adaptable in handling projects that require varying levels of demand.

**PBE CORE VALUES**

- **Responsibility**
  We responsibly share the benefits of our work to our stakeholders because we believe in collective success.

- **Rigor**
  We practice evidence-based systems thinking in making conclusions and decisions.

- **Frugality**
  We ensure that we choose the option with most value, while being frugal about resource use.

- **Diversity**
  We strive to be independent thinkers, but also value different points of view.

- **Relationships**
  We value relationship capital with our clients more than short-term financial gains.

- **Care**
  We express genuine concern for each employee’s growth, skill development, and general well-being.

- **Balanced Growth**
  We consider organizational growth in different aspects: financial gain, operations, and human capital.
## ORGANIZATIONAL PROFILE

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>Disclosure</th>
<th>Page Number / Content</th>
<th>Omission</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 102: General Disclosures 2016</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-1</td>
<td>Name of the organization</td>
<td>vi</td>
<td></td>
</tr>
<tr>
<td>102-2</td>
<td>Activities, brands, products, and services</td>
<td>14-17</td>
<td></td>
</tr>
<tr>
<td>102-3</td>
<td>Location of headquarters</td>
<td>Unit 2506 Tycoon Center Bldg., Pearl Drive, Ortigas Center, Pasig City, Philippines</td>
<td></td>
</tr>
<tr>
<td>102-4</td>
<td>Location of operations</td>
<td>Our operations are spread throughout the country but we mostly engage with heads of businesses and government agencies, most of our activities are within Metro Manila.</td>
<td></td>
</tr>
<tr>
<td>102-5</td>
<td>Ownership and legal form</td>
<td>PBE, Inc. is a non-profit industry association duly registered with the Securities and Exchange Commission.</td>
<td></td>
</tr>
<tr>
<td>102-6</td>
<td>Markets served</td>
<td>As an industry association, our primary stakeholders are our members coming from the private sector.</td>
<td></td>
</tr>
<tr>
<td>102-7</td>
<td>Scale of the organization</td>
<td>34</td>
<td></td>
</tr>
<tr>
<td>102-8</td>
<td>Information on employees and other workers</td>
<td>34</td>
<td></td>
</tr>
<tr>
<td>102-9</td>
<td>Supply chain</td>
<td>Supply chain is not a key focus area of PBE as our operations revolve around office management and human and relationship capital. Office supplies are sourced locally whenever possible. We work with external consultants, the private sector, government, academe, and civil society for our projects.</td>
<td></td>
</tr>
<tr>
<td>102-10</td>
<td>Significant changes to the organization and its supply chain</td>
<td>Not applicable as this is our first report.</td>
<td></td>
</tr>
<tr>
<td>102-11</td>
<td>Precautionary Principle or approach</td>
<td>We commit to the precautionary principle and use science-based approaches and systems-thinking when designing our programs and projects for sustainable development.</td>
<td></td>
</tr>
<tr>
<td>102-12</td>
<td>External initiatives</td>
<td>We subscribe to the UN Sustainable Goals as a template and foundation for our projects and advocacies.</td>
<td></td>
</tr>
<tr>
<td>102-13</td>
<td>Membership of associations</td>
<td>l Blue Carbon Initiative of the Climate Change Commission; Steering Committee of UNDP Small Grants Programme; Advisory council of SDGsOurBiz project; Philippine Alliance for Recycling and Materials Sustainability</td>
<td></td>
</tr>
</tbody>
</table>

## STRATEGY

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>Disclosure</th>
<th>Page Number / Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>102-14</td>
<td>Statement from senior decision-maker</td>
<td>ii-iii</td>
</tr>
</tbody>
</table>

## ETHICS AND INTEGRITY

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>Disclosure</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>102-16</td>
<td>Values, principles, standards, and norms of behavior</td>
<td>35</td>
</tr>
</tbody>
</table>

## GOVERNANCE

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>Disclosure</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>102-18</td>
<td>Governance structure</td>
<td>32</td>
</tr>
<tr>
<td>102-22</td>
<td>Composition of the highest governance body and its committees</td>
<td>32-33</td>
</tr>
<tr>
<td>102-23</td>
<td>Chair of the highest governance body</td>
<td>32-33</td>
</tr>
</tbody>
</table>

## STAKEHOLDER ENGAGEMENT

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>Disclosure</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>102-40</td>
<td>List of stakeholder groups</td>
<td>30-31</td>
</tr>
<tr>
<td>102-41</td>
<td>Collective bargaining agreements</td>
<td>None of PBE’s employees are covered by collective bargaining agreements</td>
</tr>
<tr>
<td>102-42</td>
<td>Identifying and selecting stakeholders</td>
<td>30</td>
</tr>
<tr>
<td>102-43</td>
<td>Approach to stakeholder engagement</td>
<td>30-31</td>
</tr>
<tr>
<td>102-44</td>
<td>Key topics and concerns raised</td>
<td>30-31</td>
</tr>
</tbody>
</table>

## REPORTING PRACTICE

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>Disclosure</th>
<th>Page Number / Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>102-45</td>
<td>Entities included in the consolidated financial statements</td>
<td>Only the entity, Philippine Business for the Environment, Inc. is included in the financial statement</td>
</tr>
<tr>
<td>102-46</td>
<td>Defining report content and topic Boundaries</td>
<td>12-13: We look to our strategy and sustainable framework to define our report content. Direct impacts occur to our employees and partners who are implementing our initiatives while the general public could be indirectly affected once these initiatives for sustainability are adopted.</td>
</tr>
<tr>
<td>102-47</td>
<td>List of material topics</td>
<td>12-13</td>
</tr>
<tr>
<td>102-48</td>
<td>Restatements of information</td>
<td>Not applicable as this is our first report.</td>
</tr>
</tbody>
</table>
### MATERIAL TOPICS

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>Disclosure</th>
<th>Page Number / Content</th>
<th>Omission</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GRI 101: Foundation 2016</strong></td>
<td><strong>REPORTING PRACTICE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 102: General Disclosures 2016</td>
<td>102-49 Changes in reporting</td>
<td>Not applicable as this is our first report.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>102-50 Reporting period</td>
<td>vi</td>
<td></td>
</tr>
<tr>
<td></td>
<td>102-51 Date of most recent report</td>
<td>Not applicable as this is our first report.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>102-52 Reporting cycle</td>
<td>vi</td>
<td></td>
</tr>
<tr>
<td></td>
<td>102-53 Contact point for questions regarding the report</td>
<td>vi</td>
<td></td>
</tr>
<tr>
<td></td>
<td>102-54 Claims of reporting in accordance with the GRI Standards</td>
<td>vi</td>
<td></td>
</tr>
<tr>
<td></td>
<td>102-55 GRI Content Index</td>
<td>36-37</td>
<td></td>
</tr>
<tr>
<td></td>
<td>102-56 External assurance</td>
<td>This report has not been externally assured</td>
<td></td>
</tr>
</tbody>
</table>

#### PROVIDING COMPANIES ASSISTANCE IN THEIR SUSTAINABILITY JOURNEY

| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 20-23 | |
| | 103-2 The management approach and its components | 20-23 | |
| | 103-3 Evaluation of the management approach | We believe that our efforts have been largely successful due to the increases in the number of trainings and companies that we have assisted | |

**PBE Disclosure**

- Number of trainings conducted: 20
- Number of participants: 20
- Number of sustainability report preparations assisted: 23

#### CREATING SYSTEMS TRANSFORMATION IN KEY SUSTAINABLE DEVELOPMENT AREAS

| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 24-27 | |
| | 103-2 The management approach and its components | 24-27 | |
| | 103-3 Evaluation of the management approach | This topic is challenging to evaluate as there are many factors for success and the impact is large-scale. However, we note that we have achieved some victories as some of our advocacies have been adopted by the government and the committed partnerships that we have forged | |

**G4 NGO Sector Disclosures: Monitoring, Evaluation, and Learning**

- G4 DMA: 20-27

#### FOSTERING ORGANIZATIONAL AND INFLUENTIAL GROWTH IN THE SUSTAINABILITY LANDSCAPE

| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 30-35 | |
| | 103-2 The management approach and its components | 30-35 | |
| | 103-3 Evaluation of the management approach | This topic, an enabler of the other two material topics, has grown throughout the years. Organizationally, employees have increased in quantity as well as specialization. We have also been invited in talks, fora, and government committees to help shape the sustainability landscape. | |

| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | 34 | |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | 34 | |