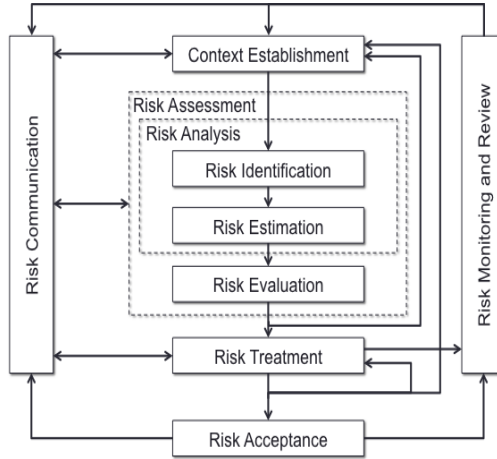


**ANNEX 1**  
**Sustainability Report**

<b>PACIFIC ONLINE SYSTEMS CORPORATION</b>	
<b>Sustainability Report 2025</b>	
<b>1. THE ORGANIZATION AND ITS REPORTING PRACTICES</b>	
<b>Disclosure 2-1</b>	<b>ORGANIZATIONAL DETAILS</b>
	<p><b>NAME OF THE ORGANIZATION</b> Pacific Online Systems Corporation</p> <p><b>OWNERSHIP AND LEGAL FORM</b></p> <pre> graph TD     POSC[PACIFIC ONLINE SYSTEMS CORPORATION]     PIT[PINOYLOTTO TECHNOLOGIES INC. 50%]     LPLC[LOTO PACIFIC LEISURE CORPORATION 100%]     TGTI[TOTAL GAMING TECHNOLOGIES INC. 98.92%]     FRI[FALCON RESOURCES INC. 100%]     FIC[FUTURELAB INTERACTIVE CORP. 50%]      POSC --- PIT     POSC --- LPLC     POSC --- TGTI     TGTI --- FRI     TGTI --- FIC      PIT --- JO[*Interest In Joint Operation]   </pre> <p><b>LOCATION OF HEADQUARTERS</b> Manila Business Center U1902-C West Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, 1605, Philippines</p> <p><b>LOCATION OF OPERATIONS</b> POSC’s scope of operations for its lottery operations is nationwide in the Philippines.</p>
<b>Disclosure 2-2</b>	<b>ENTITIES INCLUDED IN THE ORGANIZATION'S SUSTAINABILITY REPORTING</b>
	Pacific Online Systems Corporation
<b>Disclosure 2-3</b>	<b>REPORTING PERIOD, FREQUENCY AND CONTACT POINT</b>
	<p><b>REPORTING PERIOD</b> This is Pacific Online Systems Corporation’s (POSC or Pacific Online or Company) Sustainability Report outlining its economic, environmental, social and governance performance from January to December 2025. This report has been prepared in accordance with the GRI 1: Foundation 2021</p> <p><b>DATE OF MOST RECENT REPORT</b> Annex 1 of 17-A Report of Pacific Online for the period Jan-Dec 31, 2024, submitted to SEC/PSE April 14, 2025.</p> <p>A portion of the Sustainability Report information was also included in the latest 2024 Annual Report seen on the corporate website. (See: <a href="https://www.loto.com.ph/sustainability-reports/">https://www.loto.com.ph/sustainability-reports/</a>)</p> <p><b>REPORTING CYCLE</b> Annual</p> <p><b>CONTACT POINT FOR QUESTIONS REGARDING THE REPORT</b> For inquiries on Sustainability: Mischel Gabrielle O. Mendoza Risk Management and Corporate Planning Head Email: <a href="mailto:momendoza@pacificonline.com.ph">momendoza@pacificonline.com.ph</a></p>
<b>Disclosure 2-4</b>	<b>RESTATEMENTS OF INFORMATION</b>
	Not applicable

<b>Disclosure 2-5</b>	<b>EXTERNAL ASSURANCE</b>
	Not applicable
<b>2. ACTIVITIES AND WORKERS</b>	
<b>Disclosure 2-6</b>	<b>ACTIVITIES, VALUE CHAIN AND OTHER BUSINESS RELATIONSHIPS</b>
	<p><b>PARTNERSHIP</b></p> <p>POSC provides technical and market expertise for the distribution of lottery products in the country in partnership with the state-run Philippine Charity Sweepstakes Office (PCSO). Since 1995, POSC has been leasing to PCSO its online lottery systems.</p> <p>POSC entered into a joint venture agreement with Philippine Gaming Management Corporation (PGMC) and International Lottery Totalizator Systems (ILTS) for the 5-year contract to provide a nationwide online lottery system for PCSO. The joint venture known as Pinoylotto Technologies Corporation commenced October 1, 2023.</p> <p>In 2024 and 2023, POSC took part in initiatives involving PCSO’s web-based betting platform (the E-Lotto Project). However, in 2025, the national government stopped allowing state gaming agencies to license online gaming and betting platforms. Because of this policy, the E-Lotto Project did not push through.</p> <p>Following these developments, the Board of Directors approved on February 12, 2026, the exit from the E-Lotto Project and instructed management to explore other business opportunities in the industry.</p> <p>Separately, on November 18, 2025, the Parent Company, together with PinoyLotto and Philippine Gaming Management Corp. (PGMC), formed an unincorporated joint operation to join PCSO’s procurement for RFID-enabled draw machines and related accessories. The joint operation won the project in December 2025.</p> <p><b>SUPPLY CHAINS</b></p> <p>In order to provide our products and services to our customers, a number of important supply chain assets are in place. The major ones are:</p> <ul style="list-style-type: none"> <li>• Lottery and Draw Equipment</li> <li>• Equipment Spare Parts</li> <li>• Third Party Warehousing/Logistics</li> <li>• Co-location Facilities for Data Center</li> <li>• System Server and other peripherals</li> <li>• Security system</li> </ul> <p><b>RELATIONSHIP WITH OTHER INTERESTED PARTIES</b></p> <ul style="list-style-type: none"> <li>• Equipment Maintenance – provision of equipment maintenance and repair services.</li> <li>• Contractors – provision of office improvement services, web site development and other services.</li> </ul> <p><b>SIGNIFICANT CHANGES TO THE ORGANIZATION AND ITS SUPPLY CHAIN</b></p> <p>The organization saw changes in the board level with the election of Atty. Antonio Victoriano F. Gregorio III in February 2025. He replaced Mr. Raul B. de Mesa, who passed in December 2024.</p> <p>Retrenchment of employees happened in January 30, 2025 due to transition of draw operations under Pinoylotto Technologies Corporation as well as discontinuation of Elotto operations.</p> <p><b>PRECAUTIONARY PRINCIPLE OR APPROACH</b></p> <p>Pacific Online shall consider the external and internal context of the organization and the requirements of interested parties to determine the risks and opportunities that need to be addressed to:</p> <ul style="list-style-type: none"> <li>• Ensure the integrated management system can achieve its intended outcomes;</li> <li>• Prevent, or reduce, undesired effects; and</li> <li>• Achieve continual improvement.</li> </ul> <p>POSC shall plan actions to address the risks and opportunities and how to:</p> <ul style="list-style-type: none"> <li>• Integrate and implement the actions into its integrated management system processes; and</li> <li>• Evaluate the effectiveness of these actions.</li> </ul>

POSC shall apply an information security risk assessment process, which also applies to any opportunities identified on the information assets:



**EMPLOYEES**

**INFORMATION ON EMPLOYEES AND OTHER WORKERS**

Total Headcount	Quantity	% Dec.
2025	14	-52%
2024	29	-34%

Retrenchment of employees happened on January 30, 2025 due to transition to new online lottery system under Pinoylotto Technologies Corporation as well as discontinuation of Elotto operations.

**2025 BREAKDOWN**

By Company	2025		2024	
	Quantity	% to Total	Quantity	% to Total
POSC	14	100%	29	100%

**By Gender**

By Gender	2025		2024	
	Quantity	% to Total	Quantity	% to Total
Male	9	64%	21	72%
Female	5	36%	8	28%
<b>TOTAL</b>	<b>14</b>	<b>100%</b>	<b>29</b>	<b>100%</b>

**By Age**

By Age	2025		2024	
	Quantity	% to Total	Quantity	% to Total
Below 30 Years Old	1	1%	6	21%
30-50	8	57%	17	59%
OVER 50	5	36%	6	21%
<b>TOTAL</b>	<b>14</b>	<b>100%</b>	<b>29</b>	<b>100%</b>

**By Region**

By Region	2025		2024	
	Quantity	% to Total	Quantity	% to Total
NCR	11	71%	16	55%
Luzon	0	0%	10	34%
Visayas	3	29%	3	10%
Mindanao	0	0%	0	0%
<b>TOTAL</b>	<b>14</b>	<b>100%</b>	<b>29</b>	<b>100%</b>

Disclosure  
2-7

By Rank	2025		2024	
	Quantity	% to Total	Quantity	% to Total
Rank-and File	2	14%	11	38%
Junior Management	4	29%	4	14%
Middle Management	6	43%	7	24%
Senior Management	2	14%	7	24%
<b>TOTAL</b>	<b>14</b>	<b>100%</b>	<b>29</b>	<b>100%</b>

**WORKERS WHO ARE NOT EMPLOYEES**

Headcount	Quantity	% Dec.
2025	3	0%
2024	3	-70%

	Contractual Staff	Janitorial Personnel	Security Personnel	Messenger	Driver	Total
2025	0	1	0	1	1	3
2024	0	1	0	1	1	3

**3. GOVERNANCE**

**GOVERNANCE STRUCTURE AND COMPOSITION**

**GOVERNANCE STRUCTURE**

At Pacific Online, we believe in balancing the interests of the many stakeholders and upholding shareholders' value. Our aim is to have equilibrium between economic and social and between individual and communal goals. With this in mind, our Board of Directors has established corporate governance principles to ensure accountability, fairness and transparency in the organization.

**Board of Directors**

The principal roles of the Board of Directors of Pacific Online are to oversee how management serves the interests of the shareholders and other stakeholders, and to ensure that the latter are adequately and timely informed of all relevant information about the Company. Towards this end, the Board has adopted corporate governance principles to ensure its independence and keep itself fully-informed of the key risks and strategic issues facing Pacific Online.

**BOARD COMMITTEES**

To assist the Board of Directors in ensuring compliance with good corporate governance principles, the following committees have been formed:

DIRECTOR'S NAME	DESIGNATION	DIRECTORSHIP
Willy N. Ocier	Chairman	Non-Executive Director (NED)
Armin Antonio B. Raquel Santos	Member	Executive Director (ED)
Mischel Gabrielle O. Mendoza	Member	Executive Director (ED)
Tarcisio M. Medalla	Member	Non-Executive Director (NED)
Henry N. Ocier	Member	Non-Executive Director (NED)
Maria Gracia M. Pulido Tan	Independent	Lead Independent Director (LID)
Roberto V. Antonio	Independent	Independent Director (ID)
Joseph T. Chua	Independent	Independent Director (ID)
Antonio Victoriano F. Gregorio III <sup>1</sup>	Member	Non-Executive Director (NED)

<sup>1</sup> – Effective February 20, 2025

Disclosure 2-9

**Executive Committee**

The Executive Committee, which exercises, in between meetings of the Board, all the powers of the Board (except those powers expressly reserved by applicable law to the Board) in the management and direction of the business and conduct of the affairs of the Company, subject to any specific directions given by the Board.

Willy N. Ocier	Chairman and NED
Armin Antonio B. Raquel Santos	ED
Mischel Gabrielle O. Mendoza	ED

**Audit Committee**

The Audit Committee assists the Company's Board in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including reviewing Pacific Online's quarterly and annual financial statements, considering the scope of the Company's annual external audit, approving the Company's internal audit program, advising on the appointment of external auditors, and reviewing the effectiveness of the Company's internal control systems and risk management systems.

Joseph T. Chua <sup>1</sup>	Chairman and ID
Maria Gracia M. Pulido Tan	ID
Roberto V. Antonio <sup>2</sup>	Chairman and ID
Tarcisio M. Medalla	NED

<sup>1</sup> Chairman until June 27, 2025; Member effective June 27, 2025

<sup>2</sup> Member until June 27, 2025; Chairman effective June 27, 2025

**Board Risk Oversight Committee**

The Board Risk Oversight Committee assists the Board in providing framework to identify, assess, monitor and manage the risks associated with the Company's business. It helps the Board to adopt practices designed to identify significant areas of business and financial risks and to effectively manage those risks in accordance with Company's risk profile.

Maria Gracia M. Pulido Tan	Chairperson and ID
Roberto V. Antonio	ID
Joseph T. Chua	ID
Tarcisio M. Medalla	NED

**Corporate Governance Committee**

The Corporate Governance Committee is tasked with ensuring compliance with, and proper observance of, corporate governance principles and practices. This Committee promotes cooperation among other committees to integrate sustainability into corporate strategies; oversees sustainability-related risks by having processes in place, and that the Company capitalizes on significant opportunities. Likewise, nomination and remuneration oversight functions are performed by this Committee.

Roberto V. Antonio <sup>1</sup>	Chairman and ID
Maria Gracia P. Tan	ID
Joseph T. Chua <sup>2</sup>	Chairman and ID

<sup>1</sup> Chairman until June 27, 2025; Member effective June 27, 2025

<sup>2</sup> Member until June 27, 2025; Chairman effective June 27, 2025

**Related Party Transactions Committee**

The Related Party Transactions Committee is responsible for reviewing all material related party transactions of the Company, and ensuring that all RPTs are conducted on a fair and arms-length basis. Transactions considered material are subject to review by the Committee prior to Board approval and Management execution.

Roberto V. Antonio <sup>1</sup>	Chairman and ID
Maria Gracia P. Tan	ID
Joseph T. Chua <sup>2</sup>	Chairman and ID
Henry N. Ocier	NED
Antonio Victoriano F. Gregorio III <sup>3</sup>	NED

<sup>1</sup> Chairman until June 27, 2025; Member effective June 27, 2025

<sup>2</sup> Member until June 27, 2025; Chairman effective June 27, 2025

<sup>3</sup> Effective February 20, 2025

	<b>NOMINATION AND SELECTION OF THE HIGHEST GOVERNANCE BODY</b>
<b>Disclosure 2-10</b>	Refer to our <b>Manual on Corporate Governance - section 2.8 Nomination and Election of Directors</b> <a href="https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf">https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf</a> (page 12-13)
	<b>CHAIR OF THE HIGHEST GOVERNANCE BODY</b>
<b>Disclosure 2-11</b>	Refer to our <b>Manual on Corporate Governance - section 2.5 The Chairman of the Board of Directors</b> <a href="https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf">https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf</a> (page 10-11)
	<b>ROLE OF THE HIGHEST GOVERNANCE BODY IN OVERSEEING THE MANAGEMENT IMPACTS</b>
<b>Disclosure 2-12</b>	Refer to our <b>Manual on Corporate Governance - section 2.18.1 The Executive Committee</b> <a href="https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf">https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf</a> (page 18-19)
	<b>DELEGATION OF THE RESPONSIBILITY FOR MANAGING IMPACTS</b>
<b>Disclosure 2-13</b>	Refer to our <b>Manual on Corporate Governance - section 2.18.4 Board Risk Oversight Committee</b> <a href="https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf">https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf</a> (page 27-29)
	<b>ROLE OF THE HIGHEST GOVERNANCE BODY IN SUSTAINABILITY REPORTING</b>
<b>Disclosure 2-14</b>	Refer to our <b>Manual on Corporate Governance - section 2.4 Roles and Responsibilities of the Board</b> <a href="https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf">https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf</a> (page 8-10)
	<b>CONFLICTS OF INTEREST</b>
<b>Disclosure 2-15</b>	Refer to our <b>Conflict-of-Interest Policy</b> <a href="https://www.loto.com.ph/wp-content/uploads/POLICY-ON-CONFLICT-OF-INTEREST-2017-May-31-2017.pdf">https://www.loto.com.ph/wp-content/uploads/POLICY-ON-CONFLICT-OF-INTEREST-2017-May-31-2017.pdf</a>
	<b>COMMUNICATION OF CRITICAL CONCERNS</b>
<b>Disclosure 2-16</b>	<p><b>Hazard identification, risk assessment, and incident investigation</b> A Risk Assessment is conducted by the Company periodically to ensure business continuity in times of certain negative events. Threats and Vulnerabilities are measured and offset with controls in place to arrive at an acceptable level of risk.</p> <p>Incidents are screened for information security breaches and documented in an Incident Report. Non-conformities are followed up by the auditor until a correction and corrective action is deemed acceptable. Regular audits are conducted to ensure that such incidents are not repeated.</p> <p>Refer to our <b>Manual on Corporate Governance - section 2.18.3 Audit Committee</b> <a href="https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf">https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf</a> (page 25-26)</p> <p>Refer to our <b>Whistle-Blowing Policy</b> <a href="https://www.loto.com.ph/wp-content/uploads/WHISTLE-BLOWING-POLICY-Apr.-11-2023.pdf">https://www.loto.com.ph/wp-content/uploads/WHISTLE-BLOWING-POLICY-Apr.-11-2023.pdf</a></p> <p>Refer to disclosure 2-6</p> <p><b>PRECAUTIONARY PRINCIPLE OR APPROACH</b></p>

**COLLECTIVE KNOWLEDGE OF THE HIGHEST GOVERNANCE BODY**

**CONTINUING EDUCATION FOR DIRECTORS AND OFFICERS**

POSC’s continuing education program enables its Directors and Officers to stay current with the latest development on corporate governance topics. The corporate training programs are important components in fostering board effectiveness.

Name of Director/Officer	Date of Training	Program	Name of Training Institution
Willy N. Ocier	04-Nov-25	Good Governance: What the Private Sector can learn for Public Sector	Good Governance Advocates and Practitioners of the Philippines
Armin Antonio B. Raquel Santos	04-Nov-25	Good Governance: What the Private Sector can learn for Public Sector	Good Governance Advocates and Practitioners of the Philippines
Mischel Gabrielle O. Mendoza	03-Oct-25	2025 Corporate Governance Seminar	Institute of Corporate Directors
Tarcisio M. Medalla	08-Aug-25	Corporate Governance	Risks, Opportunity, Assessment & Management, Inc
Henry N. Ocier	03-Oct-25	2025 Corporate Governance Seminar	Institute of Corporate Directors
Joseph T. Chua	03-Oct-25	2025 Corporate Governance Seminar	Institute of Corporate Directors
Maria Gracia M. Pulido Tan	03-Oct-25	2025 Corporate Governance Seminar	Institute of Corporate Directors
Antonio Victoriano F. Gregorio III	06-Nov-25	The Next Level in ESG & Sustainability: Going beyond Compliance and Reporting	Center for Global Best Practices
Roberto V. Antonio	03-Oct-25	2025 Corporate Governance Seminar	Institute of Corporate Directors
Jason C. Nalupta	03-Oct-25	2025 Corporate Governance Seminar	Institute of Corporate Directors
Ann Margaret K. Lorenzo	03-Oct-25	2025 Corporate Governance Seminar	Institute of Corporate Directors
Christopher C. Villafior	03-Oct-25	2025 Corporate Governance Seminar	Institute of Corporate Directors
Dioville M. Villarias	03-Oct-25	2025 Corporate Governance Seminar	Institute of Corporate Directors
Michelle Angeli T. Hernandez	21-Nov-25	12 <sup>th</sup> SEC Corporate Governance Forum	Securities and Exchange Commission
Allan D. Aldea	04-Nov-25	Good Governance: What the Private Sector can learn for Public Sector	Good Governance Advocates and Practitioners of the Philippines

**Disclosure 2-17**

**EVALUATION OF THE PERFORMANCE OF THE HIGHEST GOVERNANCE BODY**

**Disclosure 2-18**

Refer to our **Manual on Corporate Governance- section 2.17 Board Evaluation/Assessment & 2.18.2.1 Corporate Governance Committee**  
<https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf> (page 18-20)

**REMUNERATION POLICIES**

**Disclosure 2-19**

The compensation of the Group’s key management personnel is included in the “Personnel costs” as disclosed in Note 15 and 20 of the Audited Consolidated Financial Statements for period ended December 31, 2025.

Audit Committee members receive a per diem of Fifty Thousand Pesos (₱50,000.00) each per Audit Committee meeting attended while other directors receive a per diem of Ten Thousand Pesos (₱10,000.00) each for Board and other Board Committee meetings. Each director is given a per diem in the amount mentioned regardless of the number of meetings during the same day.

There is no compensatory plan or arrangement, including payments to be received from the Company, with respect to any of its executive officer, which will result from the resignation, retirement or any other termination of any of its executive officer's employment with the Company and its subsidiaries or from a change-in-control of the Company or in any of its executive officer's responsibilities, following a change- in-control and the amount involved, including all periodic payments or installments, which exceeds P2.5 million.

Refer to our **Manual on Corporate Governance - section 2.18.2.2 Compensation of Directors/Officers/Employees**  
<https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf> (page 23-25)

**Disclosure 2-20**

**PROCESS TO DETERMINE REMUNERATION**

Refer to our **Manual on Corporate Governance - section 2.18.2.2 Compensation of Directors/Officers/Employees**  
<https://www.loto.com.ph/wp-content/uploads/CG-MANUAL-Apr.-25-2022.pdf> (page 23-25)

**Disclosure 2-21**

**ANNUAL COMPENSATION RATIO**

Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) is 0.30:1

	2025	2024	Inc/(Dec)
Employee wages and benefits	67.26	79.17	-15%
Total for President and 4 most highly compensated Executive Officers	7.1	9.0	21%
Total No. of employees	14	29	-52%
Employee wages and benefits excluding 5 highest paid officers	65.84	77.37	-15%
Ave. wage and benefits per employee	4.70	2.67	76%
Ave. compensation of 5 highest paid officers	1.42	1.80	-21%
Ratio	0.30	0.67	-55%

**4. STRATEGY, POLICIES AND PRACTICES**

**STATEMENT ON SUSTAINABLE DEVELOPMENT STRATEGY**

**Disclosure 2-22**

**STATEMENT FROM SENIOR DECISION MAKER**

With the publication of its sixth annual Sustainability Report, prepared in accordance with Global Reporting Initiative (GRI) standards, POSC reaffirms its commitment to promote transparency, efficiency, and accountability to its various stakeholders.

The Company is optimistic in reaching its sustainable development goals and ensure the betterment of society through responsible corporate practices and initiatives.

**POLICY COMMITMENTS**

**VALUES, PRINCIPLES, STANDARDS, AND NORMS OF BEHAVIOR**

**Disclosure 2-23**

**Mission**  
To sustainably provide secure and accessible entertainment service platforms for every Filipino.

**Vision**  
To be the premier partner of choice for sustainable digital entertainment solutions.

**Core Values**

**Integrity**  
POSC is an organization that upholds strong moral principles and professionalism. We believe in honoring commitments to all stakeholders through transparency and accountability. We commit to safeguarding information and protecting critical data to keep the optimum quality of our systems.

	<p><b>Collaboration</b> We are an organization composed of diverse individuals working together towards a shared vision and goals. We believe in forging partnerships with other entities to serve a higher purpose.</p> <p><b>Innovation</b> We foster a culture of dynamism and passion for learning, continuous improvement, and growth. We support creativity and welcome novel ideas to propel the company forward and adapt to changing times.</p> <p><b>Corporate Objectives</b></p> <ul style="list-style-type: none"> <li>• To embed sustainability in employment practices and financial &amp; administrative operations.</li> <li>• To be a learning organization composed of diverse individuals with unity of purpose and a shared vision.</li> <li>• To adhere to compliance requirements in order to be the gaming partner of choice.</li> </ul> <p><b>Quality Policy and Objectives</b> Pacific Online Systems Corporation is committed to continuously improve the quality management system and meet all requirements of the stakeholders in providing reliable, efficient and effective online lottery systems.</p> <ul style="list-style-type: none"> <li>• To be fully responsive to the requirements of stakeholders.</li> <li>• To maintain and continuously develop a competent workforce.</li> <li>• To maintain and continuously improve financial, operational and administrative control systems to achieve the company’s goals and objectives.</li> <li>• To comply with statutory and regulatory requirements.</li> </ul> <p><b>Information Security Policy and Objectives</b> Pacific Online Systems Corporation is committed to safeguard the confidentiality, integrity and availability of all physical and electronic information assets of the company to ensure that regulatory, operational and contractual requirements are fulfilled.</p> <ul style="list-style-type: none"> <li>• To comply with statutory and regulatory requirements.</li> <li>• To comply with requirements for confidentiality, integrity and availability for employees and other users.</li> <li>• To establish controls for protecting company information and information systems against theft, abuse and other forms of harm and loss.</li> <li>• To ensure that employees maintain the responsibility for, ownership of and knowledge about information security, to minimize the risk of security incidents.</li> <li>• To sustain continuity of operations at all times.</li> <li>• To ensure that external service providers comply with the company’s information security needs and requirements.</li> </ul> <p>Refer to our <b>Code of Conduct Policy</b> <a href="https://www.loto.com.ph/wp-content/uploads/CODE-OF-CONDUCT.pdf">https://www.loto.com.ph/wp-content/uploads/CODE-OF-CONDUCT.pdf</a></p>
<p><b>Disclosure 2-24</b></p>	<p style="text-align: center;"><b>EMBEDDING POLICY COMMITMENTS</b></p> <p>Refer to disclosure 2-29 <b>APPROACH TO STAKEHOLDER ENGAGEMENT</b></p> <p><b>ENTITIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS</b> Pacific Online Systems Corporation (Refer to Disclosure 2-2)</p>
<p><b>Disclosure 2-25</b></p>	<p style="text-align: center;"><b>PROCESSES TO REMEDIATE NEGATIVE IMPACTS</b></p> <p>Refer to disclosure 2-16 <b>Hazard identification, risk assessment, and incident investigation</b> and refer to our <b>Whistle Blowing Policy</b> <a href="https://www.loto.com.ph/wp-content/uploads/WHISTLE-BLOWING-POLICY-Apr.-11-2023.pdf">https://www.loto.com.ph/wp-content/uploads/WHISTLE-BLOWING-POLICY-Apr.-11-2023.pdf</a></p>
<p><b>Disclosure 2-26</b></p>	<p style="text-align: center;"><b>MECHANISM FOR SEEKING ADVICE AND RAISING CONCERNS</b></p> <p>Refer to disclosure 2-6 <b>PRECAUTIONARY PRINCIPLE OR APPROACH</b></p>

COMPLIANCE WITH LAWS AND REGULATIONS		
<b>Disclosure 2-27</b>	<b>INSTANCES OF NON-COMPLIANCE</b>	<b>INCIDENTS</b>
	Instances of non-compliance for which fines were incurred	0
	Instances of non-compliance for which non-monetary sanctions were incurred	0
	Fines for instances of non-compliance with laws and regulations that occurred in the current reporting period	0
	Fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods	0

MEMBERSHIP ASSOCIATIONS	
<b>Disclosure 2-28</b>	None

## 5. STAKEHOLDER ENGAGEMENT

APPROACH TO STAKEHOLDER ENGAGEMENT																												
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**IDENTIFYING AND SELECTING STAKEHOLDERS**

An interested party or stakeholder is defined as “a person or organization that can affect, be affected by, or perceive themselves to be affected by a decision or activity.

**Disclosure 2-30** **COLLECTIVE BARGAINING AGREEMENTS**

Not applicable

**GRI 3: MATERIAL TOPICS 2021**

**PROCESS TO DETERMINE MATERIAL TOPICS**

**EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY**

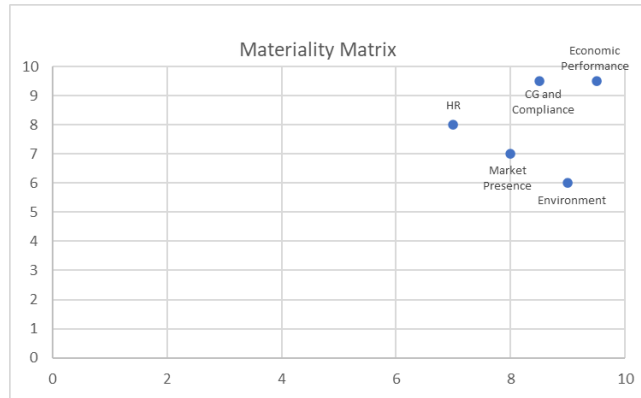
Critical Factors	Material Topics	Boundaries	Definition and Relevance
To embed sustainability in employment practices and financial & administrative operations	Economic Performance	Within POSC, business partners, regulators, local communities	How the Company cements its standing as a market leader in gaming and delivers positive economic returns to its stockholders and ensures the future and continued growth of its operations.
	Market Presence		How the Company contributes to the economic well-being and growth of local communities, and practices fair and just labor standards, according employees their due respect.
	Environmentally responsible business operations - Energy - Effluence and Waste		How the Company practices efficient utilization of its resources such as energy, minimizes waste and practices environmentally-friendly disposal with accredited external providers.
To be a learning organization composed of diverse individuals with unity of purpose and a shared vision	Human resource development & welfare - Employment - Occupational Health and Safety - Training & Education	Within POSC	How the Company develops and retains its employees, provides training and skills development, defines career path and succession planning for its employees and provides a secure and conducive working environment.
To adhere to compliance requirements in order to be the gaming partner of choice	Corporate governance and compliance	Within POSC, business partners, regulators	How the Company practices accountability for all its actions, decisions and responsibilities through forward-looking corporate governance and checks and balances, and through faithful compliance with regulators.

**Disclosure 3-1**

**OUR MATERIALITY PROCESS**

Our team reviewed the critical factors affecting our business and its impact on our stakeholders. From there, we were able to generate a list of material topics relevant to the Company.

**EVALUATION OF THE MANAGEMENT APPROACH**



**LIST OF MATERIAL TOPICS**

**Disclosure 3-2**

- Economic Performance
- Market Presence
- Environmentally responsible business operations
  - Energy
  - Effluence and Waste
- Human resource development & welfare
  - Employment
  - Occupational Health and Safety
  - Training & Education
  - Diversity and Equal Opportunity
- Corporate governance and compliance

**MANAGEMENT OF MATERIAL TOPICS**

**THE MANAGEMENT APPROACH AND ITS COMPONENTS**

Our sustainability journey began with the mandate of our Board of Directors to take a more active role in improving the Company’s corporate governance and sustainability programs. Headed by our Management team, POSC continues to establish, maintain, and improve the sustainable practices of the Company through target setting, progress monitoring, and analysis of our outputs.

**POSC’S SUSTAINABILITY FRAMEWORK**

The Company is able to achieve sustainable development through 3 major pillars:

**Disclosure 3-3**

- Partnership Enhancement
  - Improving our services for the benefit of the PCSO and its agents
  - Partnering with accredited external providers for responsible disposal
  - Compliance with standards of our regulators
- Resource Optimization
  - Prudent fiscal management
  - Sustainable operating models
  - Business continuity planning and disaster recovery protocols
  - Re-use of equipment and parts to maximize machines and minimize waste
  - Implementation of electronic systems to reduce paper consumption
- Value Creation
  - Economic value generation and distribution
  - Good governance and risk management
  - Human capital development
  - Creation of systems to improve data analysis for efficient operations

**GRI 201: ECONOMIC PERFORMANCE 2016**

**DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED**

**Disclosure  
201-1**

in PHP millions	2025	2024	Inc/(Dec)
Economic Value Generated	524.17	527.48	-1%
Economic Value Distributed	498.84	471.86	6%
Operating Costs	419.92	380.33	10%
Employee wages and benefits	67.26	79.17	-15%
Payments to the government	11.67	12.36	-6%
Economic value retained (lost)	25.33	55.62	-54%

**DEFINED BENEFIT PLAN OBLIGATIONS AND OTHER RETIREMENT PLANS**

**Disclosure  
201-3**

	2025	2024
Net retirement liability	-	(2,399,800)

The retirement plan is fully funded by the Company with no mandatory contribution from the employee.

The retirement liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, difference between interest income and return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which these arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in the profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Group recognize related restructuring costs. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Actuarial valuations are made with sufficient regularity that the amounts recognized in the consolidated financial statements do not differ materially from the amounts that would be determined at the reporting period.

**GRI 202: MARKET PRESENCE 2016**

**RATIOS OF STANDARD ENTRY LEVEL WAGE BY GENDER COMAPARED TO LOCAL MINIMUM WAGE**

**Disclosure 202-1**

	Min Wage Male	Min Wage Female	Total Min Wage Employees	Total Employees	% Min Wage Employees
2025	0	0	0	14	0%
2024	0	0	0	29	0%

POSC has no minimum wage earners. Entry rates are higher than the local minimum wage.

POSC	Minimum Wage	POSC Entry Rate	% Higher	Ratio of POSC Entry Rate to Min. Wage
Manila	15,116.25	16,000.00	6%	1.45:1
Cebu	10,896.75	11,000.00	1%	0.36:1

**PROPORTION OF SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY**

**Disclosure 202-2**

POSC employs its personnel from the local communities. All senior managers located in the Cebu office were hired from Cebu.

	Total Senior Management	Senior Management from local community				
		Luzon	Visayas	Mindanao	Total	%
2025	2	1	1	0	2	100%
2024	7	5	2	0	7	100%

**GRI 302: ENERGY 2016**

**ENERGY CONSUMPTION WITHIN THE ORGANIZATION**

**Disclosure 302-1**

**Fuel Consumption**

	Diesel, in L	Gasoline, in L
YE 2025	6,676	3,176
YE 2024	7,655	5,443

**Electricity Consumption**

	Total in kWh
YE 2025	20,023
YE 2024	35,443

**Total Water Consumption**

	Total, in cu. m.
YE 2025	91
YE 2024	301

POSC consolidated operations in Manila by ending the lease of multiple offices and warehouses, thereby reducing the consumption of electricity and water.

The decrease in fuel consumption was mainly attributed to the cessation of lottery operations, particularly field services which required travel in various regions.

ENERGY INTENSITY				
Disclosure 302-3		<b>Fuel (in L)</b>	<b>Electricity (in kWh)</b>	<b>Water (in cu. m)</b>
	YE 2025	9,852	20,023	91
	Ave. consumption per employee 2025	707.71	1,430.21	6.50
	Ave. consumption per employee (monthly)	58.98	119.18	0.54

**GRI 306: EFFLUENTS AND WASTE**

WASTE BY TYPE AND DISPOSAL METHOD							
Disclosure 306-2	<p>We recognize that as a business that is centered on systems maintenance, there must be measures to mitigate the waste products. Our company practices recycling of the parts of terminals, to ensure that not everything goes to waste and to prolong the life of the equipment.</p> <p>The publication of our sustainability report aligned to the GRI standards is part of a country-wide practice to adopt sustainable practices and integrate this information into our reporting and disclosures. This as part of a bigger movement will hopefully encourage not just the publicly-listed companies, but all companies in the Philippines to understand and adopt the mindset and practice of sustainability.</p> <p>Total volume of hazardous wastes (old terminals, e-wastes) disposed. Majority of its waste is from lottery terminals and peripherals.</p>						
	<table border="1"> <thead> <tr> <th></th> <th>Total, in kgs</th> </tr> </thead> <tbody> <tr> <td>YE 2025</td> <td>1,170</td> </tr> <tr> <td>YE 2024</td> <td>873</td> </tr> </tbody> </table>		Total, in kgs	YE 2025	1,170	YE 2024	873
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YE 2024	873						

**GRI 401: EMPLOYMENT 2016**

NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER															
Disclosure 401-1	<p><b>NEW HIRES</b> TOTAL NEW HIRES – 0</p>														
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<p><b>HIRING RATE</b> ENTIRE GROUP – 0%</p>															
<p><b>EMPLOYEE SEPARATIONS</b> TOTAL EMPLOYEE SEPARATIONS – 15</p>															

BY GENDER	Count	%	BY AGE GROUP	Count	%
MALE	12	80%	BELOW 30 YRS OLD	5	33%
FEMALE	3	20%	30 - 50	9	60%
			OVER 50	1	7%

BY REGION	Count	%
NCR	15	100%
LUZON	0	0%
VISAYAS	0	0%
MINDANAO	0	0%

**TURNOVER RATE**  
ENTIRE GROUP – 52%

The turnover rate in 2025 was due to the closure of lotto operations and retrenchment of personnel.

BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES
<p><b>Disclosure 401-2</b></p> <ol style="list-style-type: none"> <li>Full HMO coverage (room &amp; board and maximum benefit limit based on rank) of all employees upon hiring. Benefit package includes preventive healthcare, out-patient care and hospitalization, emergency care, dental care, and financial assistance.</li> <li>Life Insurance coverage upon hiring, amount of insurance is based on rank. Benefit coverage includes basic life, accidental death, dismemberment &amp; disablement, total &amp; permanent disability, unproved murder &amp; assault, and accident medical reimbursement.</li> <li>Group Accident Insurance coverage upon hiring. Benefit coverage includes accidental death, dismemberment &amp; disablement, total &amp; permanent disability, unproved murder &amp; assault, accident medical reimbursement, accident burial benefit, and daily hospital income.</li> <li>Monthly Cash Benefit for Managers &amp; Up (includes Wellness Benefit, Clothing Allowance, &amp; Transportation benefit)</li> <li>Clothing Allowance for all employees</li> </ol>

PARENTAL LEAVE																
<p><b>Disclosure 401-3</b></p> <ol style="list-style-type: none"> <li>Breakdown of Availment of Maternity and Paternity Leaves <table border="1"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Employee Headcount</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table> </li> <li>Total Number of Employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender <table border="1"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Employee Headcount</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table> </li> </ol>		Male	Female	Total	Employee Headcount	0	0	0		Male	Female	Total	Employee Headcount	0	0	0
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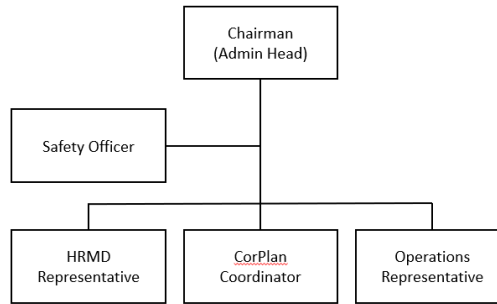
**GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018**

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM
<p><b>Disclosure 403-1</b></p> <p><b>OCCUPATIONAL HEALTH AND SAFETY POLICY</b></p> <p>Pacific Online Systems Corporation is committed to provide safe, healthy and environmentally friendly areas for all its employees. It promotes fair, safe and productive work practices in all its business aspects. Pacific Online Systems Corporation will at all times comply with all regulatory requirements of the Philippines, its customers and other external parties.</p> <p>At POSC, we intend:</p> <ul style="list-style-type: none"> <li>To maintain safe and healthy working conditions;</li> <li>To provide and maintain safe office equipment;</li> </ul>

- To prevent accidents and cases of work-related illnesses;
- To provide information, instruction and supervision for employees;
- To ensure all employees are competent to do their tasks and to give them adequate training;
- To consult our employees on matters affecting their health and safety;
- To provide adequate control of the health and safety risk arising from our work activities;
- To review and revise the policy as necessary regular intervals.

**Structure and Functions of OSH Committee**

Overall and final responsibility for health and safety is that of the General Services Department Head. Ensuring that this policy is put into practice and this task is delegated to the Safety Officer.



To ensure health and safety standards are maintained / improved, the Department Heads shall ensure compliance in their respective departments/areas.

All employees have to:

- Cooperate with their Immediate Superior and Department Head on health and safety matters;
- Not interfere with anything provided to safeguard their health and safety;
- Take reasonable care of their own health and safety; Report all health and safety concerns to Immediate Superior or Safety Officer.

**HAZARD IDENTIFICATION, RISK ASSESSMENT AND INCIDENT INVESTIGATION**

**Disclosure 403-2**

**Hazard identification, risk assessment, and incident investigation**

A risk assessment is conducted by the Company to ensure business continuity in times of certain negative events. Threats and vulnerabilities are measured and offset with controls in place to arrive at an acceptable level of risk.

Incidents are screened for information security breaches and documented in an Incident Report. Non-conformities are followed up by the auditor until a correction and corrective action is deemed acceptable. Regular audits are conducted to ensure that such incidents are not repeated.

**OCCUPATIONAL HEALTH SERVICES**

**Disclosure 403-3**

Refer to Disclosure 403-1 and 403-2

**OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM and HAZARD IDENTIFICATION, RISK ASSESSMENT AND INCIDENT INVESTIGATION**

**WORKER PARTICIPATION, CONSULTATION, AND COMMUNICATION ON OCCUPATIONAL HEALTH AND SAFETY**

**Disclosure 403-4**

Refer to Disclosure 403-1

**OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM**

**WORKER TRAINING ON OCCUPATIONAL HEALTH AND SAFETY**

**Disclosure 403-5**

Occupational First Aid Training was certification is still in effect until 2027

**PROMOTION OF WORKER HEALTH**

**Disclosure 403-6**

1. Full HMO coverage (room & board and maximum benefit limit based on rank) of all employees upon hiring. Benefit package includes preventive healthcare, out-patient care and hospitalization, emergency care, dental care, and financial assistance.
2. Annual Physical Exam / Executive Check-Up – this is being scheduled annually to check the employees’ health condition and suitability to perform their job.
3. Health and wellness activities are being conducted to help employees improve further their health and well-being.

**POSC SEMINARS/TRAININGS:**

**1. Stress and Anxiety**

This is a 1-hour online Health and Wellness lecture for all employees. This session aimed to provide awareness about Stress and Anxiety. It also aimed to provide ways to manage it by knowing the signs and symptoms, and steps for coping

**2. Managing Saving and Finances**

This is a 1-hour online Health and Wellness lecture for all employees. It aimed to provide financial literacy and improve the employees' finances

**3. How to boost your immune system**

This is a 1-hour online Health and Wellness lecture for all employees. It aimed to provide awareness on strengthening one's immune system

**4. Diet and Oral Health**

This is a 1-hour online Health and Wellness lecture for all employees. It provided awareness that one's diet can affect oral health and overall physical health. It also provided tips on how to take care of our oral health

**4. Calming your nerves in the midst of pressure**

This is a 1-hour online Health and Wellness lecture for all employees. This is a follow-up lecture on the managing stress and anxiety session. This aimed to provide techniques to calm oneself during stressful situations

**Disclosure 403-7**

**PREVENTION AND MITIGATION OF OCCUPATIONAL HEALTH AND SAFETY IMPACTS DIRECTLY LINKED BY BUSINESS RELATIONSHIPS**

Refer to Disclosure 403-2

**HAZARD IDENTIFICATION, RISK ASSESSMENT AND INCIDENT INVESTIGATION**

**Disclosure 403-8**

**WORKERS COVERED BY AN OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM**

100% of the Company’s employees are covered by the Occupational Health and Safety (OSH) Management System. All OSH incidents are investigated internally. The Company does not utilize a third-party auditor for OSH issues.

**Disclosure 403-9**

**WORK-RELATED INJURIES**

OCCUPATIONAL HEALTH AND SAFETY	2025	Rate of injuries	2024	Rate of injuries
Safe man-hours recorded, in man-hours	29,232		29,332	
No. of work-related injuries reported	0	0%	0	0%
No. of work-related fatalities reported	0	0%	0	0%
No. of work-related ill-health	0	0%	0	0%
No. of safety drills conducted	0		0	

**Disclosure 403-10**

**WORK-RELATED ILL HEALTH**

OCCUPATIONAL HEALTH AND SAFETY	2025	Rate of injuries	2024	Rate of injuries
No. of fatalities as a result of work-related ill health	0	0%	0	0%
No. of cases of recordable work-related ill health	0	0%	0	0%

The Company does not conduct any business activity that has high risk of work-related ill health.

**GRI 404: TRAINING AND EDUCATION 2016**

**AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE**

**Disclosure 404-1**

**By Gender**

	Male	Female	Total
Total No. of Training Hours Recorded	36	67	103
No. of Employees Trained	6	4	10
Average Training Hours	35%	65%	100%

**By Employee Category/Rank**

	Rank & File	Junior Mngt.	Middle Mngt.	Senior Mngt.	Total
Total No. of Training Hours Recorded	40	14	49	0	103
No. of Employees Trained	2	4	4	0	10
Average Training Hours	39%	14%	48%	0%	100%

**PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITION ASSISTANCE PROGRAMS**

**Disclosure 404-2**

Training Type/ Classification	Specific classes/sessions included in this training category	# of sessions conducted 2025	# of sessions conducted 2024
Core/Business Compliance	N/A		4
Job-based/Professional Skills	1. 2025 Corporate Governance Seminar 2. Good Governance: What the Private Sector can learn for Public Sector	2	4
Leadership	N/A		
Others, please specify	1. How to boost your immune system 2. Managing and saving finances 3. Diet and oral health 4. Calming your nerves in the midst of pressure 5. Occupational First Aide with BLS	5	6

**Amount spent on Training and Development**

Unit: In Philippine pesos	FY JAN-DEC 2025	FY JAN-DEC 2024
Total amount spent on training and development of employees	₱ 55,290	₱ 24,385

**PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS**

**Disclosure 404-3**

The Company practices is every 1<sup>st</sup> quarter of the year for performance review for all regular employees.

**GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016**

**DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES**

**Disclosure 405-1**

We believe in a just and equitable vision for the country, without discrimination against all women and girls and ensuring them equal opportunities for leadership. In Pacific Online, while the proportion of women in the workforce is only 36%, 50% of women hold top positions in the organization. The Company's Board of Directors also has 2 female members.

Refer to Disclosure 2-7 Employees

**RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN**

**Disclosure 405-2**

Refer to Disclosure 202-1 RATIOS OF STANDARD ENTRY LEVEL WAGE BY GENDER COMPARED TO LOCAL MINIMUM WAGE

## APPENDIX 1. GRI CONTENT INDEX IN ACCORDANCE

Statement of use	PACIFIC ONLINE SYSTEMS CORPORATION has reported in accordance with the GRI Standards for the period January 1 – December 31, 2025
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOC	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
<b>GENERAL DISCLOSURE</b>						
GRI 2: General Disclosures 2021	2-1 Organizational details	1				
	2-2 Entities included in the organization's Sustainability reporting	1				
	2-3 Reporting period, frequency and contact point	1				
	2-4 Restatements of information	1				
	2-5 External assurance	2				
	2-6 Activities, value chain and other business relationships	2-3				
	2-7 Employees	3-4				
	2-8 Workers who are not employees	4				
	2-9 Governance structure and composition	4-5				
	2-10 Nomination and selection of the highest governance body	6				
	2-11 Chair of the highest governance body	6				
	2-12 Role of the highest governance body in overseeing the management of impacts	6				
	2-13 Delegation of responsibility for managing impacts	6				
	2-14 Role of the highest governance body in sustainability reporting	6				
	2-15 Conflicts of interest	6				
	2-16 Communication of critical concerns	6				
	2-17 Collective knowledge of the highest governance body	7				
	2-18 Evaluation of the performance of the highest governance body	7				
	2-19 Remuneration policies	7-8				
	2-20 Process to determine remuneration	8				
	2-21 Annual total compensation ratio	8				
	2-22 Statement on sustainable development strategy	8				
	2-23 Policy commitments	8-9				
	2-24 Embedding policy commitments	9				
	2-25 Processes to remediate negative impacts	9				
	2-26 Mechanisms for seeking advice and raising concerns	9				
	2-27 Compliance with laws and regulations	10				
	2-28 Membership associations	10				
	2-29 Approach to stakeholder engagement	11				
	2-30 Collective bargaining agreements	11				
<b>MATERIAL TOPICS</b>						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	11-12				
	3-2 List of material topics	12				
	3-3 Management of material topics	12				
<b>ECONOMIC PERFORMANCE</b>						
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	12				
	201-2 Financial implications and other risks and opportunities due to climate change		201-2-a-i 201-2-a-ii 201-2-a-iii 201-2-a-iv 201-2-a-v	Not applicable	The Company does not have risk and opportunities due to climate change	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOC	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S)	REASON	EXPLANATION	
	201-3 Defined benefit plan obligations and other retirement plans	13				
	201-4 Financial assistance received from government		201-4-a-i 201-4-a-ii 201-4-a-iii 201-4-a-iv 201-4-a-v 201-4-a-vi 201-4-a-vii 201-4-a-viii 201-4-b 201-4-c	Not applicable	The Company does not receive financial assistance from government	
<b>MARKET PRESENCE</b>						
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	14				
	202-2 Proportion of senior management hired from the local community	14				
<b>ENERGY</b>						
GRI 302: Energy 2016	302-1 Energy consumption within the organization	14				
	302-2 Energy consumption outside of the organization		302-2-a 302-2-b 302-2-c	Not applicable	The Company does not have energy consumption outside of the organization	
	302-3 Energy intensity	14				
	302-4 Reduction of energy consumption		302-4-a 302-4-b 302-4-c 302-4-d	Not applicable	The Company does not have energy reduction initiatives at present	
	302-5 Reductions in energy requirements of products and services		302-5-a 302-5-b 302-5-c	Not applicable	The Company does not have any energy reduction initiatives at present for sold services	
<b>EFFLUENTS AND WASTE</b>						
GRI 306: Effluents And Waste	306-1 Water discharge by quality and destination		306-1-a-i 306-1-a-ii 306-1-a-iii 306-1-b	Not applicable	The Company has no activity involving water bodies and related habitats	
	306-2 Waste by type and disposal method	15				
	306-3 Significant spills		306-3-a-i 306-3-a-ii 306-3-a-iii 306-3-a-iv 306-3-b 306-3-c	Not applicable	The Company has no activity involving potential oil spills	
GRI 306: Effluents And Waste	306-4 Transport of hazardous waste		306-4-a-i 306-4-a-ii 306-4-a-iii 306-4-a-iv 306-4-b 306-4-c	Not applicable	The Company does not transport hazardous waste	
	306-5 Water bodies affected by water discharges and/or runoff		306-5-a-i 306-5-a-ii 306-5-a-iii	Not applicable	The Company has no activity involving water discharges and/or runoff	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOC	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIRE MENT(S) OMMITED	REASON	EXPLANATION	
<b>EMPLOYMENT</b>						
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	15-16				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	16				
	401-3 Parental leave	16				
<b>OCCUPATIONAL HEALTH AND SAFETY</b>						
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	16-17				
	403-2 Hazard identification, risk assessment, and incident investigation	17				
	403-3 Occupational health services	17				
	403-4 Worker participation, consultation, and communication on occupational health and safety	17				
	403-5 Worker training on occupational health and safety	17				
	403-6 Promotion of worker health	18				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	18				
	403-8 Workers covered by an occupational health and safety management system	18				
	403-9 Work-related injuries	18				
	403-10 Work-related ill health	18				
<b>TRAINING AND EDUCATION</b>						
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	19				
	404-2 Programs for upgrading employee skills and transition assistance programs	19				
	404-3 Percentage of employees receiving regular performance and career development reviews	19				
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>						
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	19				
	405-2 Ratio of basic salary and remuneration of women to men	19				

<b>TOPICS IN THE APPLICABLE GRI SECTOR STANDARDS DETERMINED AS NOT MATERIAL</b>	
<b>TOPIC</b>	<b>EXPLANATION</b>
GRI 11: Oil and Gas Sector 2021	The Company does not engage in activities related to the Oil and Gas Sector
GRI 12: Coal Sector 2022	The Company does not engage in activities related to the Coal Sector
GRI 13: Agriculture Aquaculture and Fishing Sectors 2022	The Company does not engage in activities related to the Agriculture Aquaculture and Fishing Sectors

## GRI CONTENT INDEX WITH REFERENCE

Statement of use	PACIFIC ONLINE SYSTEMS CORPORATION has reported in accordance with the GRI Standards for the period January 1 – December 31, 2025
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARDS	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	1
	2-2 Entities included in the organization's sustainability reporting	1
	2-3 Reporting period, frequency and contact point	1
	2-4 Restatements of information	1
	2-5 External assurance	2
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	2-14 Role of the highest governance body in sustainability reporting	6
	2-15 Conflicts of interest	6
	2-16 Communication of critical concerns	6
	2-17 Collective knowledge of the highest governance body	7
	2-18 Evaluation of the performance of the highest governance body	7
	2-19 Remuneration policies	7-8
	2-20 Process to determine remuneration	8
	2-21 Annual total compensation ratio	8
	2-22 Statement on sustainable development strategy	8
	2-23 Policy commitments	8-9
2-24 Embedding policy commitments	9	
2-25 Processes to remediate negative impacts	9	
2-26 Mechanisms for seeking advice and raising concerns	9	
2-27 Compliance with laws and regulations	9-10	
2-28 Membership associations	10	
2-29 Approach to stakeholder engagement	10-11	
2-30 Collective bargaining agreements	11	
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GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	13
	201-3 Defined benefit plan obligations and other retirement plans	12-13
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	14
	202-2 Proportion of senior management hired from the local community	14
GRI 302: Energy 2016	302-1 Energy consumption within the organization	14
	302-3 Energy intensity	14
GRI 306: Effluents and Waste	306-2 Waste by type and disposal method	15
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	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	16
	401-3 Parental leave	16
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	403-6 Promotion of worker health	18
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	18
	403-8 Workers covered by an occupational health and safety management system	18
	403-9 Work-related injuries	18

GRI STANDARDS	DISCLOSURE	LOCATION
	403-10 Work-related ill health	18
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	19
	404-2 Programs for upgrading employee skills and transition assistance programs	19
	404-3 Percentage of employees receiving regular performance and career development reviews	19
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	19
	405-2 Ratio of basic salary and remuneration of women to men	19