



CENTURY PACIFIC FOOD, INC.

PEOPLE PLANET PROTEIN

CENTURY PACIFIC FOOD, INC.
SUSTAINABILITY AND
ANNUAL REPORT 2018





ABOUT THE COVER

On the occasion of our 40th anniversary, Century Pacific Food, Inc. (CNPF) is releasing its first-ever sustainability report - measuring alongside financial indicators a number of other material topics relating to PEOPLE, PLANET, and PROTEIN.

Taking off from our core purpose of nourishing and delighting EVERYONE, EVERYDAY, and EVERYWHERE, the Company dives deeper in relation to a much wider set of stakeholders, including suppliers and employees, investors and customers, and of course, the consumers and communities that we form a part of.

With this broader perspective, we hope to further create inclusive and long-term growth, centered still on our main business units of MARINE, MEAT, MILK, and TUNA & COCONUT OEM while remaining open to the emerging opportunities that lie ahead.

ABOUT THE REPORT

Part of our company's purpose to continuously nourish the Filipino people is to ensure the SUSTAINABILITY of our operations. It is in this light that this year's publication of our annual report includes a sustainability section focused on the themes of PEOPLE, PLANET, and PROTEIN.

This is a first step towards better managing and systematically measuring our environmental, social, and economic impacts. As we begin our sustainability journey, we will further refine our processes, reporting material updates and key initiatives that we plan to undertake.

This report, which covers the period of January to December 2018, is an initial attempt to highlight not only financial results but non-financial indicators as well.

Moreover, the report reveals our company's refreshed vision which incorporates both sustainability and responsibility into the very heart of our operations. This, more than any other statement, reflects CNPF's firm resolve to do business in a sustainable manner, and we look forward to your embarking on this journey with us.

This Sustainability and Annual Report is a product of



For questions or feedback about this report, please contact CNPF Investor Relations at investorrelations@centurypacific.com.ph.

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ABOUT THE COMPANY

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Century Pacific Food, Inc. (CNPF) is primarily engaged in the business of processing, manufacturing, packaging, and canning various kinds of food products.

We began operations in 1978 and currently run five main business segments.

MARINE

Our branded MARINE segment produces tuna, sardines, and other fish and seafood-based products. Recognizable brands under this segment include Century Tuna, 555, Blue Bay, Fresca, Kamayan, Century Quality, and Lucky 7.

The Company currently holds the market-leading position in the local canned tuna market, with our flagship brand Century Tuna as a champion for health and wellness in the Philippines.

MEAT

Our branded MEAT segment produces corned beef, meat loaf, luncheon meat, Vienna sausage, pork and beans, and other meat-based products. Well-known brands in this segment include Argentina, 555, Swift, Hunt's, Wow! Ulam, Shanghai, and Lucky 7.

Similar to canned tuna, CNPF is also the market leader in the local corned beef, emulsified loaves, and ready-to-eat beans markets.

MILK

Our branded MILK segment produces full cream milk, powdered milk drink, evaporated and condensed milk, all-purpose cream, and other dairy products. This segment consists primarily of the Birch Tree and Angel brands.

Though a challenger in these categories, the Company continues to invest in the space, hoping to benefit from the continued growth of the Philippine dairy market.

TUNA OEM

Our TUNA OEM (original equipment manufacturer) segment produces private label canned, pouched, and frozen tuna products for export. This is the Company's legacy business which started more than 40 years ago.

Today, CNPF remains the Philippines' leading exporter of tuna OEM. Apart from being partner of choice of large international brands, this business also allows the branded MARINE segment to benefit from the added scale, cost efficiencies, and quality controls compliant to international food regulatory standards.

COCONUT OEM

Our COCONUT OEM segment produces retail-packaged coconut water, organic virgin coconut oil, desiccated coconuts, coconut flour, coconut milk, and coconut cream.

Through this segment, the Company is able to take advantage of the Philippines' abundant supply of coconuts and capitalize on the global trend in organic and healthy products.



A QUICK GLANCE

OF 2018

102-7

A QUICK GLANCE

PHP 37.9B

in Revenues
15% GROWTH

PHP 2.8B

in Net Income
11% GROWTH

904K

Total PH Outlets CNPF Products are Available in

Source: Nielsen 2018

Approximately

13

of CNPF's products were consumed by each Filipino in 2018

#1

Market Position in the Local Canned Tuna and Canned Meat Segments

Source: Nielsen

78%

Availability in All Points of Sale in the Philippines

Source: Nielsen 2018

223

SKUs

12% Milk

2% Coconut

33% Meat

53% Marine

62

Countries CNPF Products are Available in

17

Brands

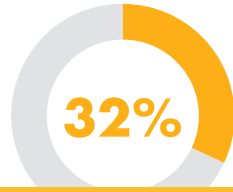


OUR BUSINESS



Marine

PHP
11,964M
2018 REVENUE



117 SKUs

OF TOTAL
REVENUE



Meat

PHP
9,458M
2018 REVENUE



74 SKUs

OF TOTAL
REVENUE



Value for Money



Mass Market



Affordable Premium





Milk

PHP 6,534M
2018 REVENUE

27 SKUs



OEM

TUNA OEM

PHP 6,494M
2018 REVENUE

- Frozen tuna loins
- Pouched tuna
- Canned tuna
- Fish meal



COCONUT OEM

PHP 3,435M
2018 REVENUE

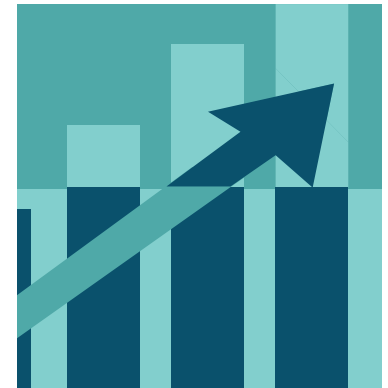
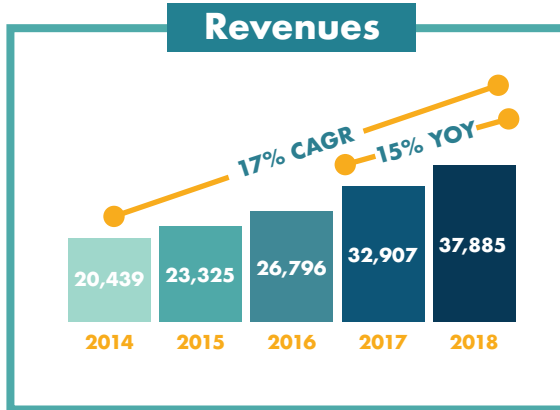
- Coconut water
- Desiccated coconut
- Virgin coconut oil
- Coconut flour
- Coconut milk



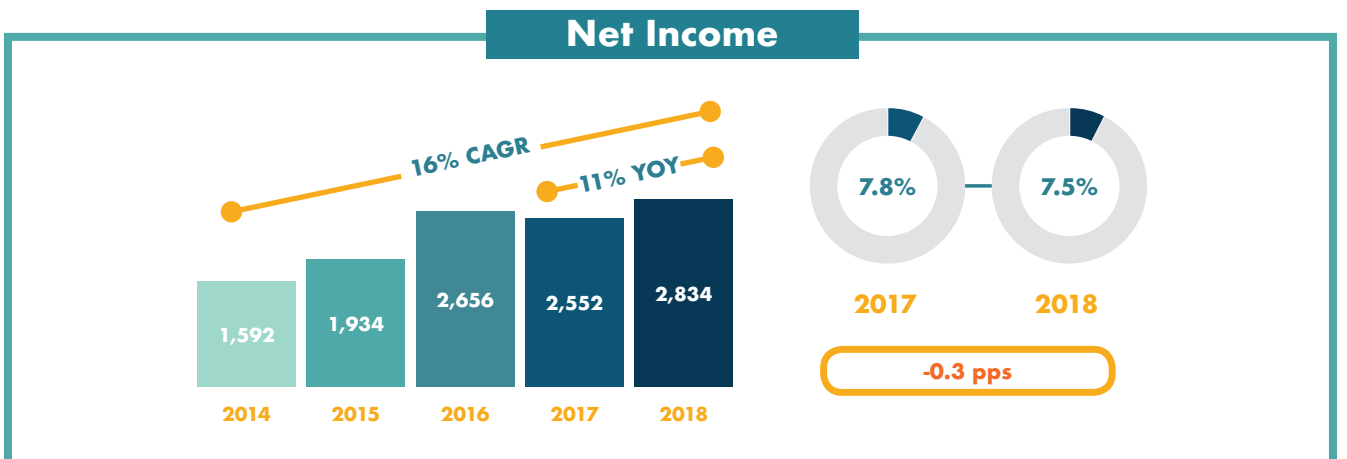
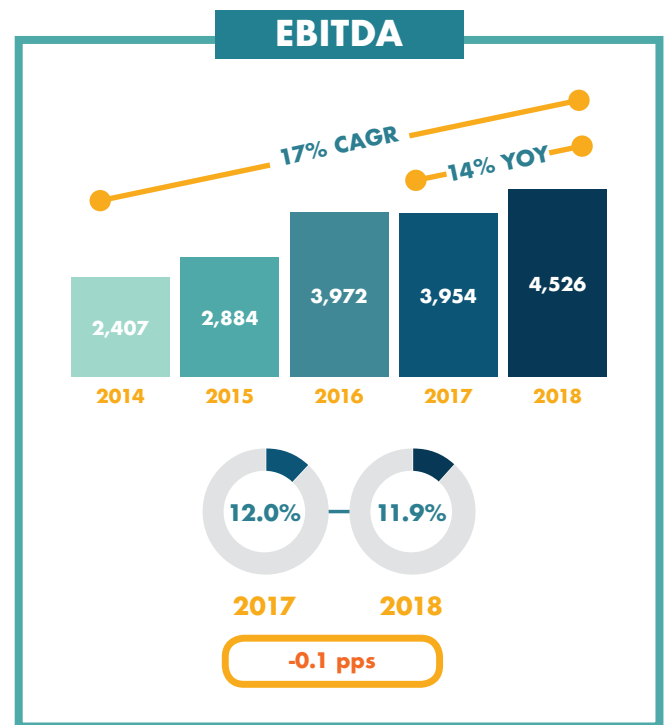
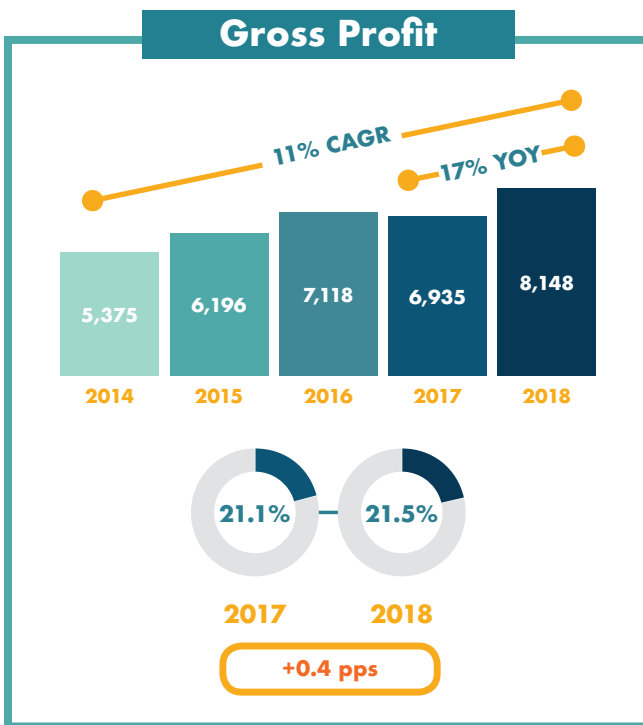
FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS

P&L Highlights (In PHP Mill)

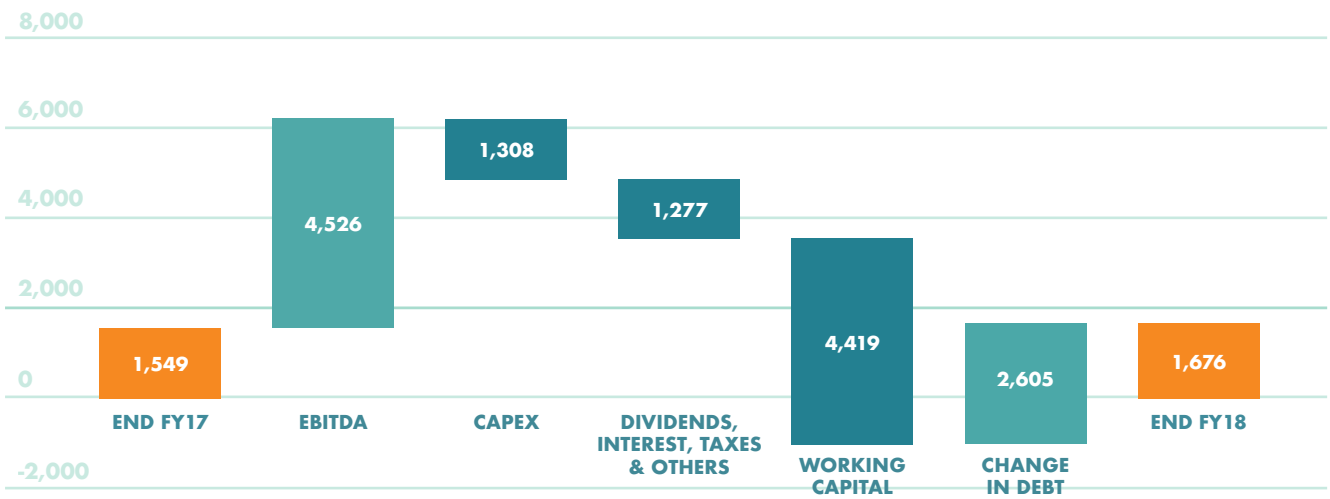


* Figures 2016 onwards are adjusted for IFRS 15



* IFRS 15 was applied to figures from 2016 to 2018 only.

Cash Position (In PHP Mill)



Other Highlights for 2018



PHP0.80
EPS

PHP4.72
BVPS

18%
Return on Equity

2.03x
Current Ratio

1.02x
Net Interest-Bearing Debt-to-EBITDA Ratio

0.28x
Net Gearing Ratio



0.71x
Net Debt-to-Equity Ratio

PHP 30,337M
Total Assets

PHP 13,613M
Total Liabilities

PHP 16,725M
Total Equity

OUR FOUNDER'S LETTER

Dear Shareholders –

This year, I am proud to present to you in this annual report our Company's new vision, mission, and values. This comes at an important time in the life of Century Pacific, 40 years after its inception in 1978.

We've come a long way since then – from a small and simple tuna operation, to now a global and multi-product business.



I am very proud of management and the employees who have allowed us to get to where we are today. I am grateful and humbled by their hard work, and will never forget the sacrifices they've made during the last four decades.

But amidst this success, we must never be complacent.

We are growing, but the challenges we face are growing as well. They are not only increasing in number, but also increasing in their complexity.

We must become better, stronger, and smarter.

Opportunities abound, but it will take more than the usual skill to benefit from them. Nonetheless, I believe our Company is in a good position to take advantage - given our strong brands, our food expertise, and most importantly, our organization that is passionate, excited, and wanting to succeed.

I believe our Company is in a good position to take advantage - given our strong brands, our food expertise, and most importantly, our organization that is passionate, excited, and wanting to succeed.

All these will be backed by a new vision and mission, which will serve as our guiding light in this ever-changing and constantly evolving environment.

It is my fervent hope that, as a Company, we will never stop evolving as well.

No matter where we go, or what we achieve, it is important that we keep on learning and growing. Humility is staying teachable no matter what we already know. *It is in the moment you stop watering a plant that it starts to wither and die.*

The change in our guiding values is a testament to this continued evolution.

In our history, there are also many other examples of change. We've gone through numerous ups and downs in our four decades since inception.

During each one, we weathered through and learned something that made us even more successful. Let us remember to look to the past so we may not forget where we came from, and also, so we may properly build on what we have already achieved.

This journey, though on its 40th anniversary, still has a long way to go.

On this milestone year, we expand our vision beyond the walls of our own operations. Today, our journey also includes a responsibility to our community, environment, and society.

This is a challenge we take head-on as we aim to build a business that better reflects the values, concerns, and aspirations of current as well as future generations.

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We want a Company that will continue to be loved by customers, employees, and stakeholders decades, and even centuries, to come.

This is the CENTURY WAY. And our past successes and the successes yet to come are testaments to the hard work, dedication, and confidence of many.

This includes you, our shareholders, whose trust allows us to aim high and move forward. We will do everything we can to continue to live up to this trust.

Yours sincerely,

RICARDO S. PO, SR.
Founder & Chairman Emeritus

“Let us remember to look to the past so we may not forget where we came from, and also, so we may properly build on what we have already achieved.”

REFRESHING AND REDEFINING AT 40

102-16

In 2018, CNPF commemorated its 40th anniversary by REDEFINING what it means to live “the Century way.”

The Company maintained its core purpose but REFRESHED its shared vision, mission, and values. In doing so, we hope to further capitalize on growth while creating a sustainable and professional organization. The new shared vision serves as an aspirational and inspirational guiding light for the entire company. The new mission evolved to define more accurately CNPF’s core purpose and reasons why it exists. Finally, the updated core values identify and articulate the norms of behavior critical to achieving the new vision and mission.

These will serve as the framework through which the Company will evaluate strategic growth opportunities and its long-term goals moving forward.

REFRESHING AND REDEFINING AT 40



PURPOSE

Our core purpose remains the same:
TO NOURISH AND DELIGHT EVERYONE, EVERYDAY, EVERYWHERE.



VISION

REFRESHED

Our refreshed vision follows:

We are a sustainable and responsible global company of entrepreneurs that nourishes and delights our consumers with healthier food and beverages through our manufacturing excellence, nutrition expertise, trusted brands, and passionate people.

PREVIOUS

We will be respected as a team of passionate, consumer-oriented, professional entrepreneurs committed to lead and work together to delight families in the Philippines, the region and the world.

Guided by Divine Providence, we will be a company of choice of every household and trade partner, valued and trusted for our brands and products that deliver quality, service, taste, convenience, innovation and affordability.



MISSION

REFRESHED

Our refreshed mission follows:

Reinforce current businesses and brands to deliver quality and value for money products that generate attractive returns through responsible sourcing and operational excellence

Strengthen the organization that attracts, nurtures, and retains passionate and high performing corporate entrepreneurs and teams who live balanced lives

Pioneer the development of healthier and tastier food and beverages that consumers love and trust through latest credible nutrition science and effective branding

Scale up the business across the globe by creating consumer and customer connections and experiences in a more profitable and sustainable way across the value chain

PREVIOUS

Reinforce 4 M’s (Marine, Meat, Milk, Mixes) to their fullest potential

Strengthen organization into a world-class multi-skilled organization with a strong corporate culture

Performance performance performance

Seek international opportunities to grow our branded business



VALUES

REFRESHED



Respect for the Individual

We accept that there will always be differences in opinions, perspective, and way of doing things. We find ways to arrive at the highest value that can be created out of issues and opportunities despite individual differences. We listen to everyone's opinion but firm on the final team decision.



Teamwork

We work together under one vision and mission. We recognize strength of individuals and let the most qualified lead the team. We understand individual accountabilities, deliver on them, and do more as the situation calls for it.



Passion for Excellence

We continuously work across the value chain on excelling and optimizing our operations and costs to offer the best value for our customers, partners, and shareholders. We are relentless in overcoming challenges.



Customer-Centric

We continuously pursue to understand consumer needs, anticipate market trends, and work towards delighting them through our products and experiences. We understand who benefits most from the goods or services we provide and continuously find ways to "wow" them. We are reliable, resilient, and responsible. We go the extra mile to provide more than the basic necessities of our customer and display a sense of urgency to service their priorities.



Humility

We respect each other and remain grounded even with exceptional intellectual achievements. We are open to ideas as brilliant ideas can come from anybody. We recognize the value of others far greater than oneself. We celebrate successes resulting from one's hard work and not due to the failure of others. We graciously accept defeat or loss, keeping in mind that this is but a learning experience preparing us for greater achievements. We are able to admit and accept one's mistakes.



Integrity

All our decisions are guided through absolute integrity and conscience to protect our consumers, communities, partners, employees, and shareholders. We strive to do the right thing even when no one is watching. We adhere to moral uprightness, transparency, and trustworthiness. We walk the talk.



Malasakit

We strive to exceed expectations through personal accountability, selfless contribution, team work, and proactively collaborating with each other with concern, care, and compassion. We have the mindset of an owner and treat the business as one's own. We help market our products, report relevant customer feedback, and direct display/stock concerns to the appropriate person. We patronize our products.



Entrepreneurial Spirit

We have grit and possess a growth mindset that enables us to think big, persist in overcoming any challenges, and achieve our vision through a bias for action. We are constantly open to opportunities for the Company to grow further and become more profitable. We continuously strive for effectiveness and efficiency that will drive sustainable and profitable growth. We find ways to do things more efficiently while adding more value to product output to create more business or cost savings to the company. We act on what is good for the company but not to the extent of violating policies. We cut off bureaucracy and always consider the "business side" when making decisions.

PREVIOUS

Respect for the Individual

We show respect for and value all individuals as we set aside differences and leverage on each other's strengths. We respect every individual's commitments and take personal accountability for delivering on our own.

Teamwork

We have the mindset of "we" rather than "I," sharing common ideals and embracing common goals. As a team, we have the confidence to accomplish results. As individuals, we know when it is appropriate to lead and when to follow.

Passion for Excellence

We have the will to win, to do better, and to do the best. Our persistence constantly raises the bar and challenges the status quo. We are not satisfied with mediocrity and work on constant improvement to achieve the highest standards and "best in class."

Humility

We demonstrate openness by listening to others' ideas, including those that are dissenting to our own. We actively seek feedback and know when to ask for help, recognizing that failures are important learning opportunities for us.

Unity

We put the team above division, function, and personal interests. We maximize our unified strength by involving others, combining resources, and consulting each one for his or her expertise.

Malasakit

We are responsible not just for ourselves but for others as well. We act in a manner that manifests deep concern, care, and appreciation and at the same time champion the next generation of leaders who will carry on these same purpose and values.

PUTTING EVERYTHING TOGETHER

The Company's new vision icon subtly displays a heart, forming a knot with itself to represent our commitment to nourish and delight.



The organization's new mission icon presents a rising pathway of interlocking loops, symbolizing our firm command over our businesses as we steadily move towards more success.

The firm's new values icon shows hands clasped in unity to express connection and the spirit of camaraderie, thoughtfulness, and openness to what is new.



YEAR SPECIAL

On the occasion of our 40th anniversary, the Company pays tribute to its Founder and Chairman Emeritus, Ricardo S. Po.

His story is an inspiration to many – from humble beginnings as a journalist to a pivotal role in turning canned tuna into a Filipino staple. Since then, numerous people have enjoyed the convenience and nutrition afforded by CNPF's food products which have expanded to meat, milk, and coconut items as well.

From the establishment of what was then called "Century Canning Corporation" in 1978, Ricardo's story, and consequently that of CNPF, is one of triumph and success in the face of numerous hardships and trials.

It is also a story of hard work and innovation, which ultimately allowed the Company to find an important

role in the homes of the Filipino people along with a permanent place in their hearts.

Ricardo, along with his mother, moved to Manila, Philippines in 1947 from Guangzhou, China. He taught himself English and provided translation services to the businessmen of Binondo, one of the capital's popular Chinese communities.

He then took an Industrial Chemistry course at the University of Santo Tomas, hoping to pursue an engineering career. Unfortunately, he had to discontinue studies and work instead to support himself and his mother.

Ricardo became a journalist for a Chinese paper in Binondo. However, with more mouths to feed, having gotten married, and now with four sons, he turned to the world of marketing and advertising to supplement his earnings.

With a friend, he established Cathay Promotions with an aim to break down the communication barrier between Filipinos and the growing Chinese community in the country. That business did well, but Ricardo's success soon reversed during the 1973 stock market crash.

He invested the remainder of what he had in a shrimp packing company that exported fresh shrimps from Central Visayas, a region in the Philippines, to Japan. Japanese technicians who visited the business then mentioned to Ricardo the Philippines' abundance in tuna and the large demand for it abroad. This was the seed for Ricardo's idea of setting up a tuna canning facility.



With tuna supply from Mindanao and a factory in Taguig City, the Company was formed in 1978.

We began by exporting canned tuna to foreign markets, specifically Germany and the United States. We also started to manufacture canned sardines. Eventually, the Company sought for opportunities in the domestic market. In 1983, we launched 555 - our own quality and affordable canned sardines brand. With its success in the local market, along with a working distribution network, the Company eventually did the same for canned tuna with the release of our flagship tuna brand Century Tuna. Canned tuna consumption gained traction as we released products in Filipino flavors such as adobo, caldereta, and mechado. Ricardo also made use of his marketing skills by having then Miss Universe Gloria Diaz endorse the tuna line as something "delicious, nutritious, and healthy."

1995

The Company set foot in the meat business with our Argentina brand and was the first one to provide an affordable option for premium corned beef.



2001

We acquired and added Blue Bay Tuna, then the number 2 tuna brand, to our emerging tuna enterprise.

2002

The milk business began with canned liquid milk via the launch of the Angel brand. During the same year, the Company also acquired the heritage brand Birch Tree and relaunched Birch Tree Full Cream Milk Powder a year later.



2008

We expanded the meat business with the launch of Wow! Ulam, providing a more value-for-money option to the market.

2012

The Company acquired the Swift brand to cater to a more premium canned meat customer base.

2014

We conducted an initial public offering (IPO) to raise fresh funds for expansions and create a platform to further grow the business.

2015

The Company further built on Birch Tree's position as a high-quality milk brand for kids and launched Birch Tree Fortified Milk Drink Powder, entering a more affordable subsegment of milk.



2016

We diversified our legacy private label export business by acquiring an integrated coconut producer. We also entered the condiments business in the same year through the acquisition of the North American license for the leading Filipino shrimp paste brand Kamayan.

2017

The Company further grew the meat category after acquiring the Hunt's license for the Philippines, the market leader in canned pork and beans.

Now with the leadership of the second generation - Christopher Po as Executive Chairman and Teodoro Po as President and CEO - and numerous professionals, CNPF continues to innovate new products and improve business systems. The Company is looking forward to multiple more decades of bringing health, convenience, and affordability to every table.

A MESSAGE FROM OUR CHAIRMAN AND CEO

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A MESSAGE FROM OUR CHAIRMAN AND CEO

Dear Fellow Shareholders,

We are just a few weeks into the new year. We are filled with a sense of gratitude, relief, and excitement - gratitude for the year of buoyant trading; relief because the businesses fared better than expected in a year where consumer markets faced multiple challenges; and finally, excitement because as we celebrated our 40th year last year, we believe the company is well-positioned to continue our primacy as we look to the future.

2018 BUSINESS RECAP

Our sales came in at almost PHP38 billion, 15% more than last year. The top line was driven by the branded businesses which turned in a bumper performance of 20% growth. The growth was broad-based with all three branded main businesses of marine, meat, and milk registering healthy revenue growth rates.

In a year where our country saw the highest inflation, highest interest rates, and the weakest peso in years, our business portfolio, composed mostly of consumer staples, showed resilience. We did have to steadily raise prices for most SKUs but did so gradually, careful not to upset our value-for-money positioning, implemented cost management, and instituted tactical trade promotions to dampen the sting of higher prices.

In a year where our country saw the highest inflation, highest interest rates, and the weakest peso in years, our business portfolio, composed mostly of consumer staples, showed resilience.

The inflationary environment saw our lower-priced brands grow faster as consumers coped with rising retail prices for both food and non-food items. There was also a marked acceleration of growth outside the National Capital Region with growth rates in Visayas and Mindanao approaching twice that of Metro Manila.

With the top line growing mid-teens, the bottom line lagged, growing at a pace of 11% but still delivering a respectable PHP2.8 billion of net income or a net margin of 8%. Frankly, this came in better than we had expected as of the midpoint of the year, given the fog of uncertainty caused by inflation that almost reached 7%. Fortunately, the inflationary fever appears to have

broken, and the latest readings are showing inflation trending lower to a more manageable 4%.

Our OEM tuna and coconut businesses registered flattish revenue growth versus last year but outperformed on delivering their bottom lines. The tuna OEM business maneuvered well amidst another year of volatile raw material price swings which saw tuna prices between \$1,300 and \$1,800 per metric ton. The coconut business benefited from coconut prices that corrected from the record prices seen in 2017.

Our balance sheet metrics are healthy. We are very liquid with a current ratio of 2x. Our net debt levels are low with a net gearing ratio of 0.3x and net interest-bearing debt-to-EBITDA of 1x. This provides the company with more than enough resources to fund our expansion requirements and gives us the flexibility to look at acquisition opportunities. In 2018, our return on equity continues to be an attractive 18%.

Overall, we are grateful and relieved with how we navigated the choppy conditions. Not quite a bumper year, but we personally would still consider this past year a "win."

40TH ANNIVERSARY

Our company turned 40 in 2018. From our founding in 1978 as a fledgling private label tuna manufacturer, Century has come a long way.

It would be an understatement to say that we have much to be grateful for these last 40 years. It was this business that paid the bills and allowed us and our siblings to get the best education. Where we are today as a family, and even our identify, is intertwined with this company. Therefore, on a very personal level, we as a family are motivated now, as ever, by a strong sense of duty and loyalty to pay it forward for the next generations.



A photograph of two men in dark suits standing in a supermarket aisle. The man on the left is bald, wearing glasses, a white shirt, a dark blue tie, and a dark suit. The man on the right has dark hair, is wearing a white shirt, a yellow tie, and a dark suit. They are standing in front of shelves stocked with cans of Argentina brand soups. The shelves are filled with yellow and red cans, and price tags are visible at the bottom of the shelves. The background shows more shelves with various products, creating a sense of a well-stocked store.

“We believe the company is well-positioned to continue our primacy as we look to the future.”

Of course, the business is bigger than the Po family. Our employees, supply base, business partners and customers, and their families have all benefited from the economic value created by the company's activities. We personally get satisfaction when we hear about our employees achieving personal milestones like buying their first car or house. We are also gratified when we hear about our suppliers building up their businesses to support our expansion. Our pursuit of business growth takes on more meaning when considering the multiplier effect of our economic activity and the livelihoods generated.

On this occasion, we also appreciate those who came before us: our father - our founder - and the many men and women who, through the decades, built the company to what it is today. What was passed on to us consists of the different businesses; the brands; the relationships with customers, suppliers, and trade partners; our credit standing with our bankers and investment community; the trust and patronage of our end consumers; the motivated and passionate Century business teams; and our corporate reputation and goodwill with the community at large.

All these are precious assets we need to guard jealously. They are what make up the "moat" that protects our business. The Century team is highly motivated to build on this solid foundation as we forge our way into the future.

HEALTHIER, MORE INCLUSIVE, MORE RESPONSIBLE

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We used the occasion of our 40th anniversary to refresh our purpose, vision, and mission.

During that exercise, our team affirmed that we were largely on the right track. What was new however, which bubbled up from the ranks, was a desire to be a more responsible company. There was a growing clamor to look into things like the sustainability of our supply chain, and to set goals for healthier new product innovations or find ways to mitigate flexible/plastic waste, etc.

This ground swell from team members, coupled with more frequent questions about our Environmental, Social, and Governance (ESG) aspects of our business from customers and investors, has inspired us to explore more responsible and sustainable ways of running our business.

We have over the years been doing our share in this area such as our membership to the International Seafood Sustainability Federation (ISSF) and the Marine Stewardship Council (MSC), partnerships with WWF Philippines, our submitting to social audits from global customers, supporting the *Kain Po* feeding programs that distribute around 5 million meals a year, and so on.

102-13

However, this time is different. We aspire to go beyond compliance and have incorporated sustainability as part of our purpose, vision, mission, and values. It is a fundamental examination of our identity, what motivates us, and how we can integrate ESG into our business.

We aspire to go beyond compliance and have incorporated sustainability as part of our purpose, vision, mission, and values.

We codenamed this undertaking "Project InSpire" which we are rolling out across the entire company. We will identify key risks and opportunities and begin reporting KPIs that will allow us to set targets and improve along various ESG dimensions.



These are our first steps on our ESG journey. We are personally involved and are keen to learn how to make ours a more responsible CNPF, while at the same time meeting our ambitious business goals. We have a lot to learn and a lot of thinking to do.

2019 OUTLOOK

For this year, we are planning for double-digit to mid-teens top line growth and expect our branded businesses to continue to drive that performance.

We have been growing at a 17% CAGR pace these last 4 years. A growing middle class, urbanization, premiumization, and consumer preference for healthier lifestyles are some of the long-term trends that have provided the tailwinds for us to achieve this and will likely continue to do so over the next few years.

This year, the inflation tide has finally turned, and most commentators are calling for 6% to 7% economic growth again for the Philippines with a boost coming from mid-term elections in May. Therefore, the economic conditions should even be better than last year.

With this as a backdrop, there are many opportunities out there, and we are in a good position to capture them. No doubt, the challenges of aggressive competition, demanding customers, value-seeking consumers, changing regulations, and rising costs will

not abate. We will continue to manage our way, as we always have, to weather these obstacles and persevere in meeting our targets.

This year, we will also be more active with new product developments (NPDs). We have been more conservative with product launches the last two years in order to conserve resources and allow the team to focus on the previous batch of new products and activities. Now, the innovation pipeline is reloaded, and we are ready, earmarking a number of key product launches this 2019.



Because of higher investments this year in NPDs, we expect our bottom line to grow at a slower high single-digit to low double-digit rate relative to the revenue line. Even as these additional costs weigh on us in the short term, we are hopeful that the innovations will provide sources of growth and will strengthen our overall business.

This year we will also be investing more than usual in capital expenditures (capex). We have budgeted around PHP2 billion worth of projects for capacity expansion, replacement and maintenance capex, as well as efficiency capex. The biggest ticket time on the list is the new tuna plant, accounting for almost one third of the total budget. After five years of double-digit growth, the business now requires us to invest again in a plant that will support the future plans of our core business. We are confident that this investment will generate an internal rate of return of high teens.

We try, however, to be as asset-light as we can; but each situation is different, so we have to judge them by their strategic importance, ROI attractiveness, and execution riskiness. The expansion and efficiency capex projects that make it through the funnel are generally expected to deliver IRRs of 18% or better. Thus, we do not mind this year's capex bill as we will sweat the assets to yield a tidy return.

The year has already begun, and we are pleased that we started off with good momentum coming from the year end. Our outlook is one of cautious optimism, and we are excited to work with our team to implement our business plan.

Our outlook is one of cautious optimism, and we are excited to work with our team to implement our business plan.

Finally, let us take this opportunity to thank you, our shareholders, for your continued trust and confidence. We do not take this responsibility lightly. We will continue to work hard to be good stewards of your capital.

Sincerely,

CHRISTOPHER T. PO
Executive Chairman

TEODORO T. PO
President & CEO

February 2019

FROM THE GENERAL MANAGERS' DESKS



Marine

We have been able to maintain market share in the canned tuna category and generate slight gains in sardines despite increased competitive promotional activities. This is a testament to the strength of the company's marine brands that have been consistently supported throughout the years. Key challenges include maintained pace of volume growth despite price increases we've taken at pace with inflation. This is offset by efforts in expanding distribution especially in the general trade channels and by rolling out lower sized, more affordable can options catering to our loyal consumer base.

- Gregory H. Banzon, Executive Vice President & Chief Operations Officer



Meat

The canned meat unit had another record year in terms of both top line and bottom line. This was driven by our wide portfolio of great tasting and satisfying ("busog") products which target the entire spectrum of consumer segments from premium to mass market to economy. We gained market share in almost all of our key product categories like corned meat (+1pps) and loaves (+2pps) through continued brand-building activations and great value products. We experienced cost pressures brought about by increased demand for beef and chicken raw materials, as well as significant increases in packaging materials. We were able to mitigate this through improved efficiencies in manufacturing while continuing to optimize spendings through the line.

- Edwin C. Africa, Senior Vice President & General Manager



Milk

Thanks to the support of our customers and consumers, we have continued to exceed our sales and profit targets. We have more than doubled our total dairy business in the last two years and achieved significant market share gains in both Angel and Birch Tree. While we are challenged by higher raw material prices and a tougher competitive environment, we will pursue the growth momentum by continuing to focus on providing high-quality dairy products that will challenge and improve the way consumers eat, drink, and live.

- Ronald M. Agoncillo, Vice President & General Manager - Milk



Tuna OEM

Despite the normalizing of pass-on prices for tuna last 2018, we still achieved significant bottom line profits. This was driven by higher sales volumes for tuna and by-products, as well as positive foreign exchange movement for this export business.

- Teddy C. Kho, Vice President & General Manager - Tuna OEM



Coconut OEM

In 2018, we delivered on the promised return-on-sales target driven by higher yields and efficiencies for coconut meat products despite flattish revenue growth due to lower order volumes from some customers. Nonetheless, in conjunction with the business' fifth year anniversary, we were awarded last year the "Top Exporter Award for Coconut Water" by the Philippine Coconut Authority which cited as well our contribution to the sustainable development of the Philippine coconut industry. Moreover, we are proud to say that the business unit likewise completed the SMETA (Sedex Members Ethical Trade Audit) audit, meeting global standards for responsible and ethical sourcing; health, safety, and welfare of workers; as well as environment management.

- Noel M. Tempongko, Vice President & General Manager - Coconut OEM

DELIVERING ON FINANCIAL METRICS

We measure our financial performance through the following five key indicators.

1

Revenue Growth

Definition

Total net sales this year, as reported in the financial statements, compared to the net sales of the previous year, as reported in the financial statements, for all business units, expressed as a percentage.

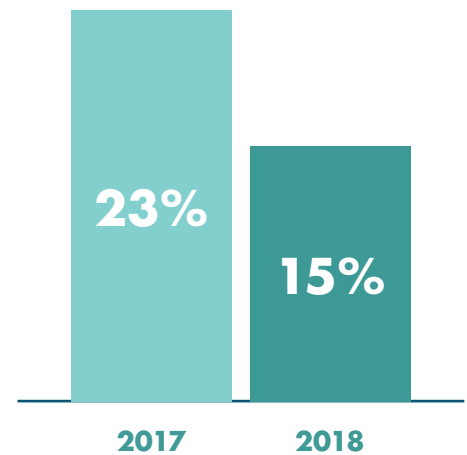
FY 2018 Performance

CNPF ended the year with record-high revenues of PHP37.9 billion, equivalent to a 15% increase year-on-year.

Growth was primarily driven by the consistently strong performance of the branded business which accounted for 74% of total sales.

The strong branded performance, growing sales by 20% year-on-year, more than offset the more tempered increase of OEM exports which jumped by 4%.

19% 2016 to 2018 CAGR*



2

Branded Revenue Growth

Definition

Total net sales this year compared to the net sales of last year for the branded business units (marine, meat, and milk), expressed as a percentage.

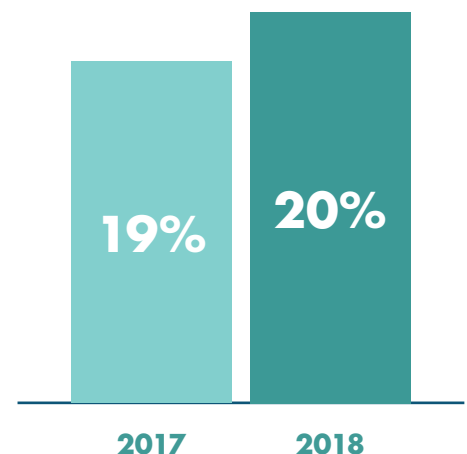
FY 2018 Performance

Revenues from the branded business were up 20%, a considerable achievement given that 2018 was a more challenging year for most Philippine consumers due to the inflationary headwinds.

The sustained upward sales trend was driven almost completely by higher volumes across each business unit, reflecting the affordable nature of our products relative to 2018's environment of relatively high food prices.

The segment's record-high sales was driven by continued brand-building activities which strengthened market positions, as well as improvements in our distribution and supply chain which increased nationwide availability especially in Visayas and Mindanao.

19% 2016 to 2018 CAGR*



* For comparability, earliest figures referenced are from 2016 as the application of IFRS 15 only adjusts financial statements from the last three years.

3

EBITDA Growth

Definition

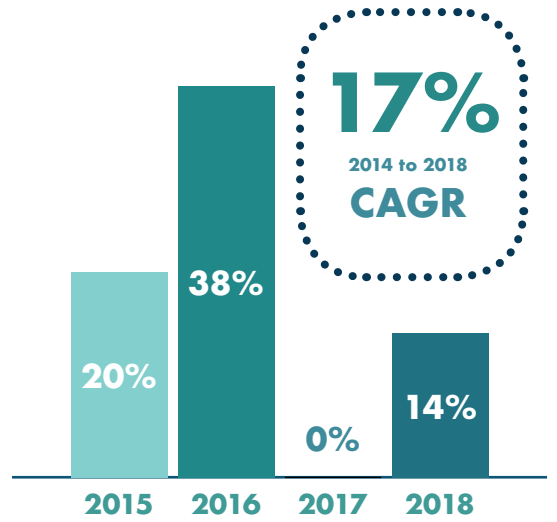
Earnings before interest, taxes, depreciation, and amortization – a proxy for operating profitability – this year compared to that of the previous year, expressed as a percentage.

FY 2018 Performance

EBITDA grew by 14%, representing an EBITDA margin of 11.9%, down 10 bps year-on-year.

Gross margins were largely unchanged versus the prior period. Favorable raw material trends helped manage the negative impacts of higher input costs in other parts of the business.

Operating expenses, however, grew at a faster pace relative to revenues, up 21% driven primarily by higher fuel and logistics costs.



DELIVERING ON FINANCIAL METRICS

4

Net Profit Growth

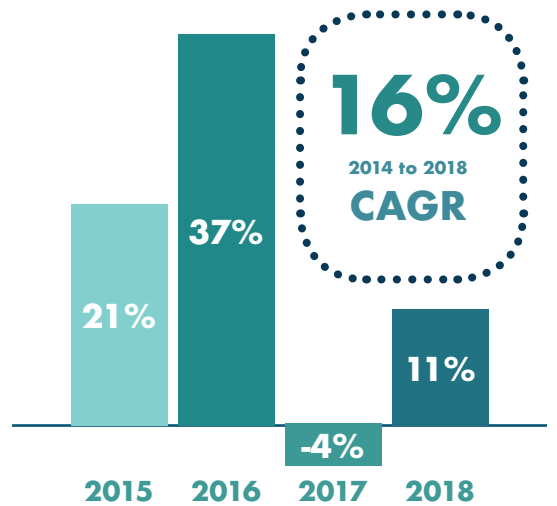
Definition

Net earnings after all costs and taxes this year, as reported in the financial statements, compared to net earnings after all costs and taxes of last year, as reported in the financial statements, expressed as a percentage.

FY 2018 Performance

Full-year earnings reverted back to positive growth after a challenging 2017. Net income for the year ended 11% higher relative to the prior period.

The flow-through effect from EBITDA growth was supported by prudent foreign exchange and tax management in spite of higher financing costs.



5

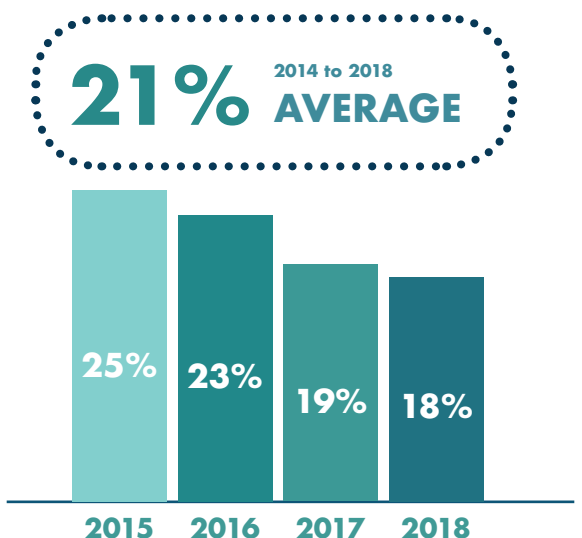
Return on Equity

Definition

Net operating profit after tax this year divided by the average of equity as of the end of this year and equity as of the end of the previous year.

FY 2018 Performance

Return on Equity for the year remained an attractive 18%. This is still in line with our required rate of return for capital-intensive projects that are expected to support the business' growth in the next few years.



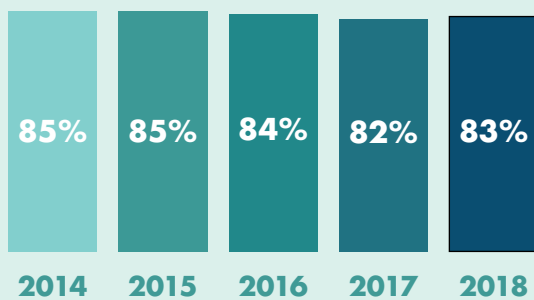
LEADING INDICATORS OF BUSINESS HEALTH

Apart from monitoring financial metrics, the following are other key measures and business areas critical to maintaining and executing our current growth strategy.

1

Canned Tuna Market Share

84% 2014 to 2018 Average



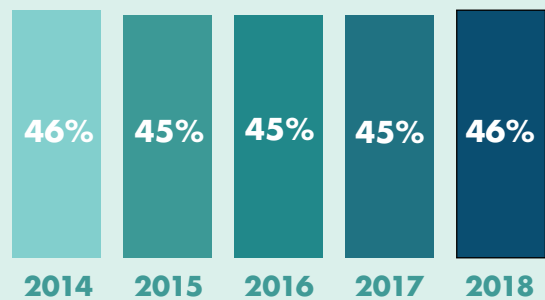
CNPF remains category leader and category driver of canned tuna in the Philippines. Our flagship brand Century Tuna is now a champion of health and wellness locally.

Source: Nielsen

2

Corned Beef Market Share

45% 2014 to 2018 Average



The Company is also the market leader in the corned beef segment with flagship brand Argentina still the go-to name in terms of affordable yet quality meat products.

Source: Nielsen

3

Innovation

For 40 years now, CNPF has been introducing new products that address the needs of Filipinos through strong focus on high-quality manufacturing, R&D-driven innovation, and intuitive marketing campaigns.

What starts as a simple product concept turns into product samples with the aid of multiple food experts, which are then thoroughly tested prior to commercial production.

Through this, we continuously expand our product line-up as we also revisit existing SKUs regularly to improve taste, functionality, and occasionally, profitability.

4

Organization

CNPF is run by experienced, capable, and success-driven professionals who deliver on the Company's many goals and allow for the sustainability of the business. The Executive and Management teams are responsible for carrying out company strategies, reaching targets, and performing well to meet expectations. The rest of the organization supports these strategies and targets by driving day-to-day operations and contributing to the Company's overall performance.

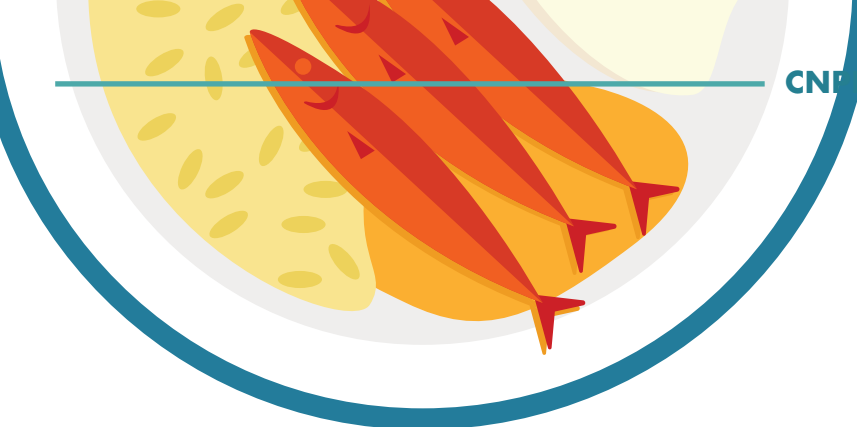
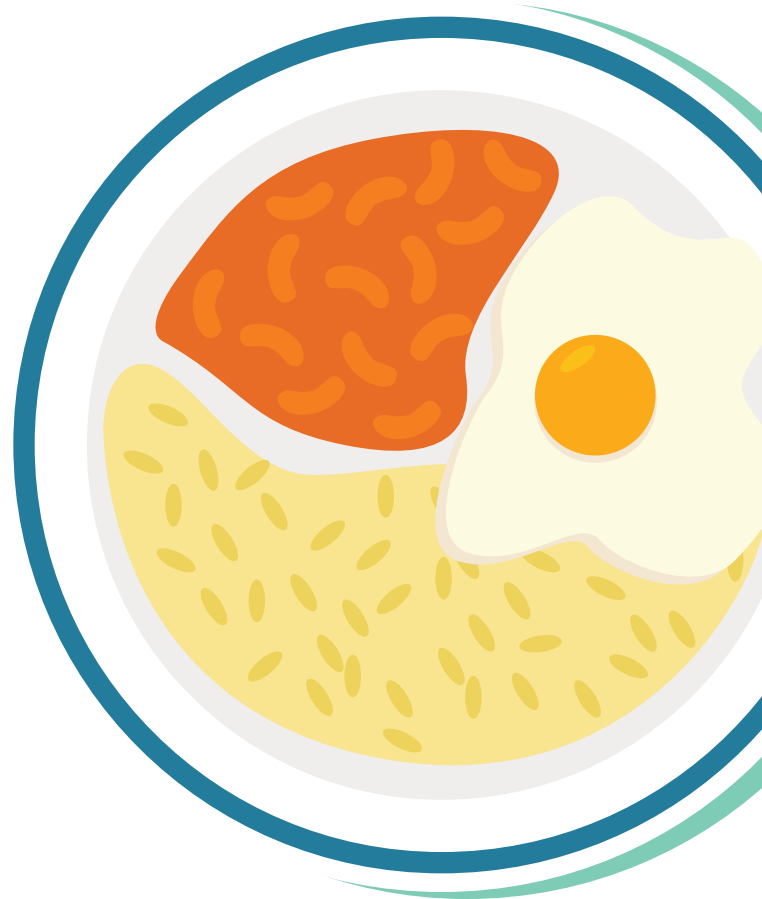
Given this, it is of key importance to recruit and retain talent. Human capital is a significant asset, and so developing and training employees are needed investments for the Company to achieve its long-term plans and ensure sustainable business growth and longevity. This, of course, comes with proper compensation and benefits, a strong company culture, and a healthy work environment.

With organizational changes implemented in March 2018, brothers Christopher Po and Teodoro Po continue to lead the company as Executive Chairman and President-CEO, along with Gregory Banzon and Edwin Africa as EVP-COO and SVP-GM. This new structure allows us to address the demanding day-to-day operating responsibilities and the need for a more focused search of new business opportunities.

5

ESG

A new indicator of business health is our progress with regard to the environmental, social, and governance aspects of sustainability. As the Company begins to establish its ESG targets, we will regularly conduct evaluations and manage our performance against material non-financial metrics, finding ways to further integrate sustainability across our value chain.



OUR SUSTAINABILITY JOURNEY

102-19

About the project

Part of our mission to continuously provide the Filipino people with healthier food options is to ensure the sustainability of our operations and to continuously generate value for our stakeholders. In order to do this, we acknowledge that we must take the initial step of improving our internal non-financial performance monitoring system and embarking on our first sustainability reporting project. This will enable us to learn about how we are doing now so we can gain insight on how to improve, set priorities, and strategize moving forward.

For this project, we have chosen to use the Global Reporting Initiative (GRI) Standards, the most widely-used sustainability reporting guidelines in the world, as basis for the methodology and metrics that we will be measuring. Aside from the disclosures which we have aligned with the GRI Standards, we have also identified unique disclosures that are relevant specifically to our company such as the amount of affordable protein we have rolled out to the market and the level of traceability of the materials that we source in the past 3 years. These will be discussed in the succeeding chapters.

Our Reporting Process

This long term commitment to sustainability is to be embodied and operationalized by everyone in the company in the years to come. In this crucial beginning stage, we wanted to strengthen our foundations and make sure that everyone is on board, understands what sustainability is, and why the company is taking this seriously. This requires leadership from the top management, awareness and education about the topic, and clear identification of focus areas that are essential in the overall improvement of our sustainability impacts.

1

Starting with Strong Leadership 102-20

To stir and kick-off this sustainability initiative, the top management issued a new vision, mission, and values statement which are anchored to sustainability. This provides employees with an expanded mindset and purpose beyond profit growth and signals a shift in the way the company prioritizes and strategizes. For this report, we have also created a Sustainability Council to provide overall direction and guidance in identifying material topics and metrics.

2 Building Capacity and Knowledge

To further educate and broaden our understanding about our company and how sustainability can enhance it, we have conducted sustainability-related learning sessions and workshops with key departments that we identified as vital in steering and further cascading sustainability. This includes an introduction to sustainability and shared value, a crash course on GRI, and a materiality workshop.

3 Defining material topics and metrics

We organized sit down sessions with key departments to identify material topics based on their experience with the company's operations and their insights in engaging with stakeholders. Afterwards, we mapped out the most suitable metrics to monitor the performance of the material topics. We then collected data for these metrics for analysis and reporting.

WHAT WE LEARNED

Information gained in the activities above enabled to craft the following:

1

Sustainability framework, which features the sustainability focus areas of the company, how it works, and enhances the value chain. These focus areas are: Protein, Planet, People.

See page 30-31

2

Stakeholder engagement matrix, which summarizes the main concerns of our stakeholders, how we do our best to address their concerns, what the different channels of engagement are.

See page 56-57

3

Strategy, which discusses the company's plans to achieve its goal of continuously creating stakeholder value and being a more sustainable company.

See page 58-59

WHAT SUSTAINABILITY IS FOR US

102-29

102-46

102-47

As we pursue our mission to nourish and delight, we not only work with and help feed people from all walks of life but also aim to create sustainable value for our many stakeholders. This value is encapsulated in the CNPF Sustainability Framework. We provide our consumers with healthier and a affordable food product options packed with nutrients, mainly protein. We produce these products responsibly by getting our ingredients from credible sources, managing our use of and impacts to the environment, and developing the skills of our people. All these activities are governed by policies and guiding principles that maintain the ethical standards of the company.

OUR FOUNDER'S LETTER

PROTEIN

From the deep seas and farmlands around the world to the grocery aisles and family part of Filipino sustenance for multiple decades now. We continuously aim to serve our improving accessibility, and

1 Nutrition

2 Access

PURCHASES assessment



Our economic value creation extends beyond our own company operations. It reaches our suppliers, including those who are local and are benefitting the local economy. For marine resources in particular, traceability and sustainability are matters of critical importance.

- Supplier credibility
- Raw materials traceability

PLANET preserva

Environmental stewardship is a responsibility that we all share. CNPF actively does its part by monitoring its use of natural resources and the environmental impact of its operations.

GOOD GOV

CNPF is driven by a common vision and purpose, is governed informed by the best

DELIVERY

tables in barangays and cities all over the country, CNPF has had the privilege of being consumers the best way we can by enhancing the nutritive properties of our products, monitoring food quality and safety.

ibility

3 Food quality and safety

tion



- Natural resource efficiency
- Environmental impact management

PEOPLE development



Our people are the backbone of our day-to-day operations. They are vital to our growth as a company, and their growth is vital for us as well.

- Diversity and inclusion
- Professional and personal growth
- Workplace safety

ERNANCE

by effective ethics standards, and the company's decisions are available knowledge.

2018 SUSTAINABILITY HIGHLIGHTS

PROTEIN

63M

kg of protein distributed to
the market

78%

availability in all points of
sale in the Philippines

5

international food quality
standards followed

PURCHASES

100%

compliance to Applicable
International Seafood
Sustainability Foundation
Conservation Measures

100%

traceability of Fish, Milk,
and Coconut back to
fishing grounds and farms

PLANET

3%

improvement in energy
intensity

5%

improvement in water
intensity

EQUAL

GHG intensity despite
growing operations

PEOPLE

12,290

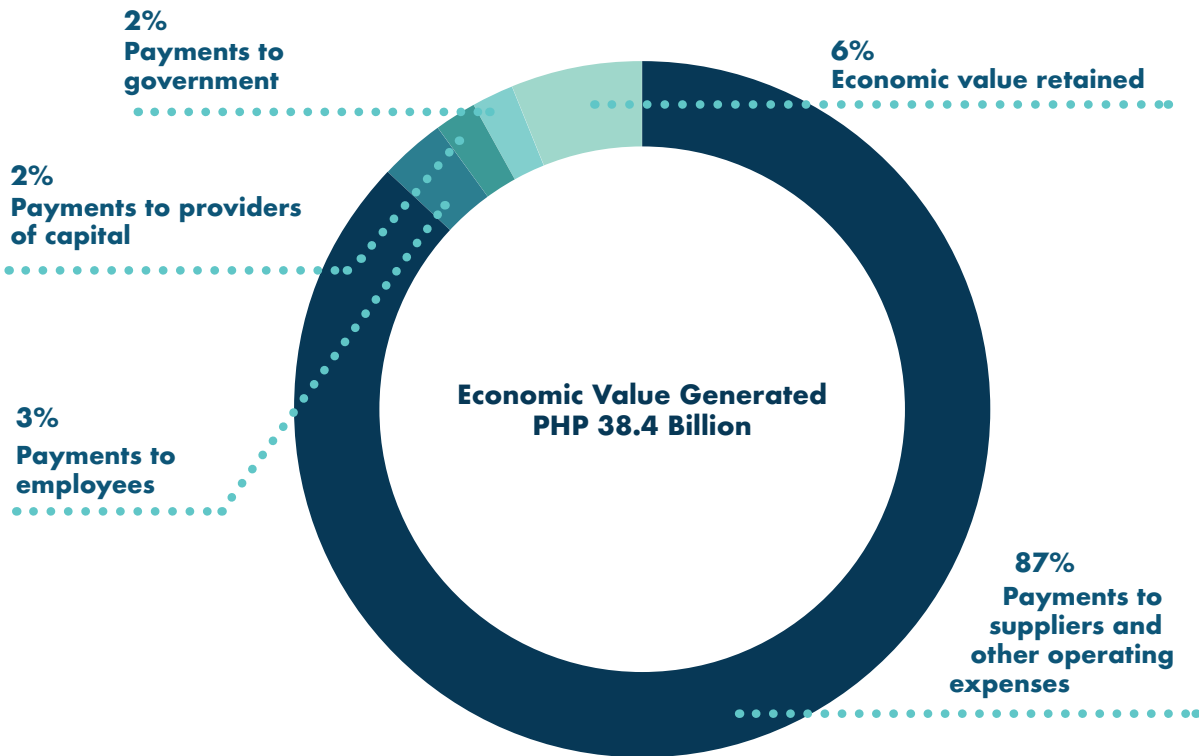
total jobs supported

75%

increase in investment
for employee training

ECONOMIC VALUE CREATION

201-1



ECONOMIC VALUE CREATION

Economic Value

We were able to generate a total of PHP38.4 billion in economic value for 2018, a 17% increase from last year. This is attributed to the growth in sales of our products.

- Payments to suppliers and other operating expenses**
- Payments to employees**
- Payments to government**
- Payments to providers of capital**
- Economic value retained**

Procurement, production, and manufacturing costs covered most of our economic value distribution at 87%.

Employee salaries, wages, and benefits amounted to PHP1.2 billion in 2018, which is 3% of our total economic value. This amount presents an increase of 22% from 2017 due to the growth in our workforce.

Our current tax expense is PHP906 million.

We continue to provide shareholder value as our dividends paid and finance costs increased by 12% from last year, amounting to PHP834 million in total for 2018.

Of the PHP34.8 billion economic value that we generated this year, 6% is retained by the company.

Creating Job Opportunities 203-2

As we continuously grow our business, we require more and more people to help us drive our day-to-day operations, deliver the best possible products to our consumers, and generate value for our stakeholders.

In 2018, we supported a total of 12,290 jobs. This number includes permanent employees under our subsidiaries and affiliate companies, indirect hires, interns, and employees of suppliers whose operations rely primarily on us.

Reaching Out to the Underserved 102-12

The CPG-RSPo Foundation, an affiliate company, serves as our socio-civic arm as we support some of the major issues facing our country today such as hunger and malnutrition, education, and environment.

In 2018 alone, the Foundation donated more than PHP8 million worth of products to charity and has sent 110 students to school for the academic year 2018 to 2019.

THE VALUE OF HOW WE DO THINGS

102-9

102-31

THE VALUE OF HOW WE DO THINGS



Research & Development

Developing, reformulating, and testing new product recipes and formulations



Sourcing

Having a strict accreditation and assessment for raw materials suppliers to ensure food quality



PROTEIN Delivery



PURCHASES Assessment



PLANET Preservation



PEOPLE Development



Good Governance

Nutrition

Food Quality and Safety

Supplier Credibility

Raw Materials Traceability

Environmental

Diversity and inclusion

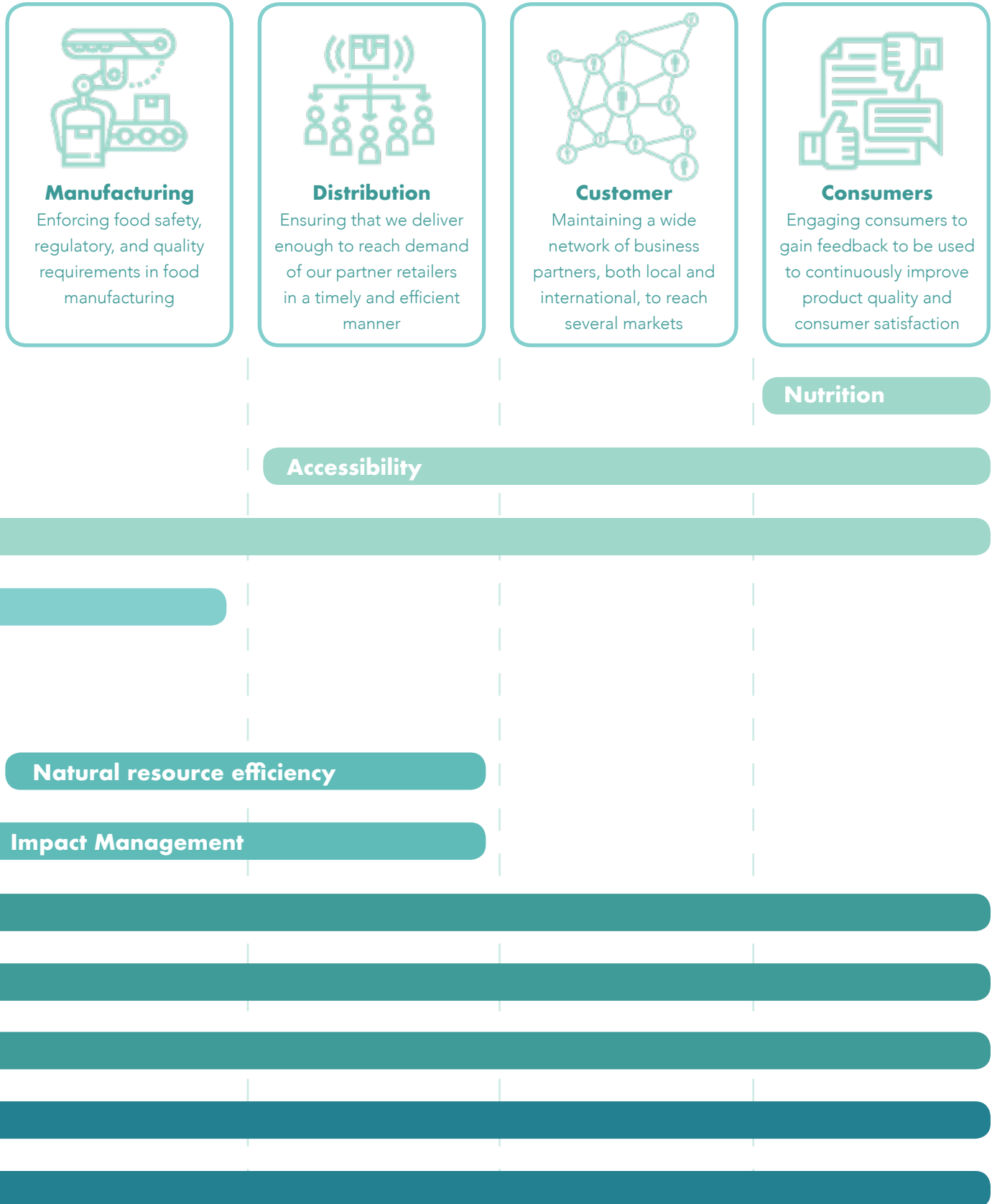
Professional and personal growth

Workplace safety

Business ethics and compliance

Labor practices

In the past, doing good business was simply providing one-time big-time financial donations to charities and spending a couple of volunteer hours in underserved communities. Now, businesses have evolved and doing good business entails being aware of the impacts of the company in each step of the value chain and taking action in managing them. For this first reporting project, we take effort in further understanding our impacts and how sustainability is embedded in our operations through mapping out the material topics of our sustainability focus areas to our value chain. This output has provided us with insights on how sustainability helps us deliver better products to our consumers and what topics in specific areas of the supply chain we should prioritize.



THE VALUE OF HOW WE DO THINGS

PROTEIN delivery

Nutrition 416-1

Shelf-stable goods have long been part of the Filipino masses' staple food for many reasons. It's convenient and easy to prepare so there's no need to cook. The shelf life is long and it can be stored for an extended period of time at home for emergency purposes. It's also more affordable than buying ingredients for a home cooked meal, but it's still enough to fill one's hungry stomach. These are just some of the reasons.

For CNPF, above providing food products that are practical for consumption in our daily lives, there is also the nutritive value in the products that is often overlooked. We offer healthier food options as a testament to our commitment to nourish everyone, everyday, everywhere, and as a response to the prevailing issue of malnutrition in the Philippines.

Providing affordable protein

Protein is a nutrient that we need in our daily lives, especially in the context of the dynamic Filipino family. It is also naturally present in our main ingredients – marine. It is also naturally present in our main ingredients - fish, meat, milk, and coconut. In 2018, we were able to provide at least 63.5 Million KG of protein to the market through the products that we sold.

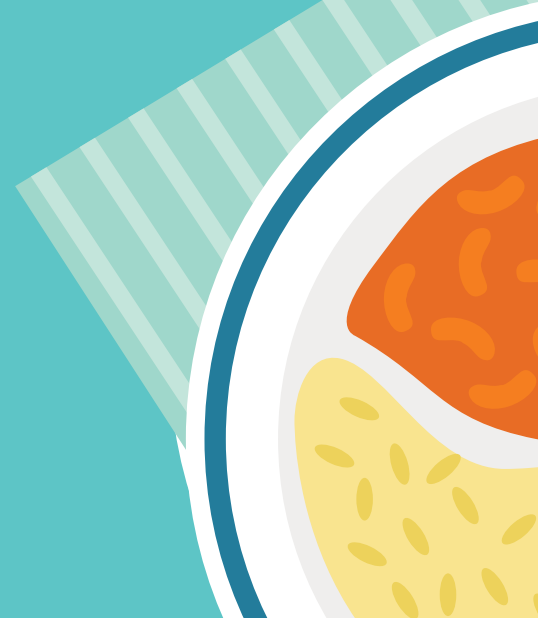
95%, or 60.1 Million KG, of this total was rolled out here in the Philippines. This amount of protein is enough to sustain the protein needs of more than 650,000¹ Filipino families in a year.

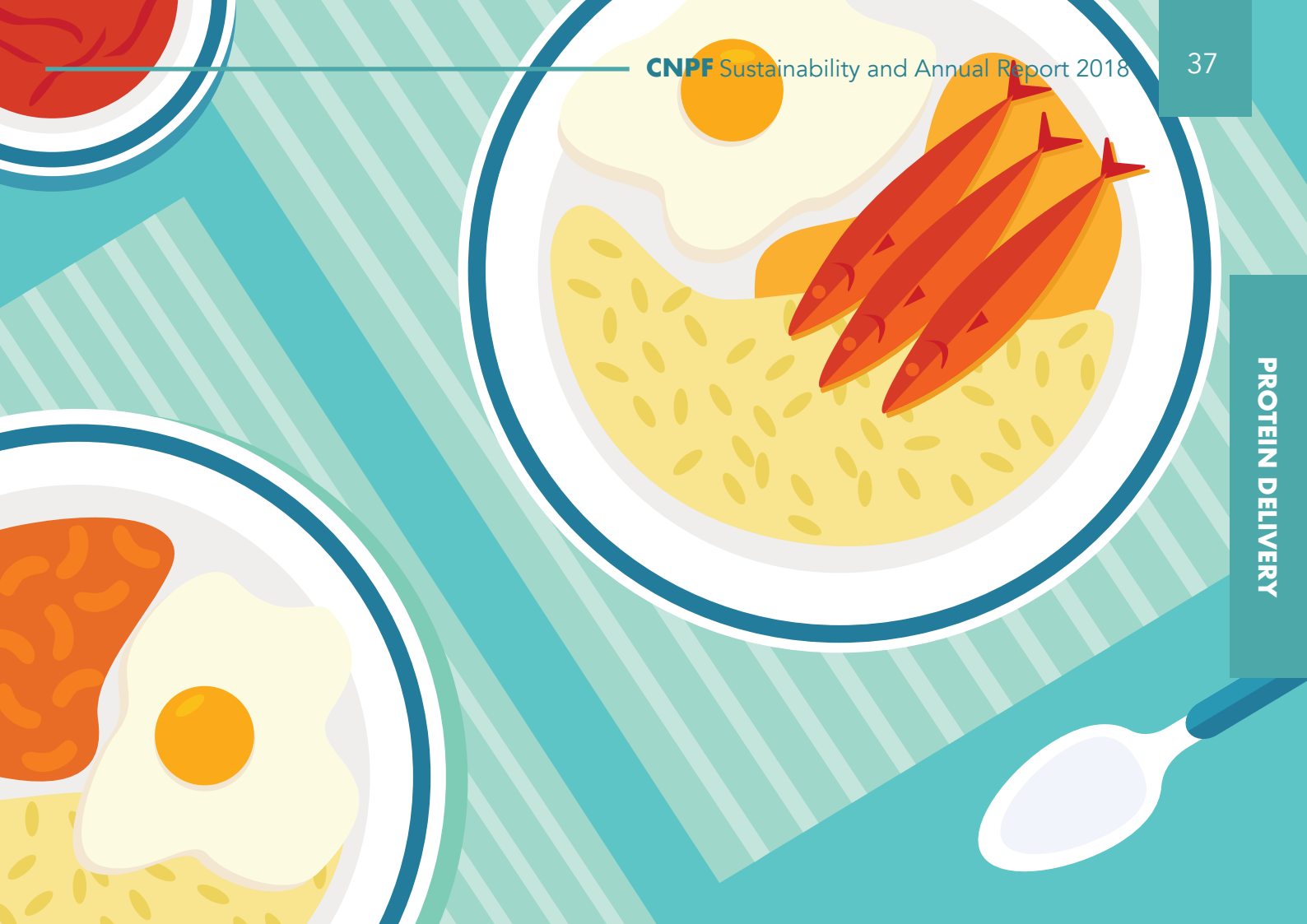
5% Global branded

95% Domestic

63.5M kg
*of protein distributed to
the market*

¹ This number is computed by dividing the total KG of protein sold by the total KG of FNRI protein requirements of an average Filipino family in a year. Based on PSA, an average Filipino family is comprised of 4.4 members.





As the price of commodities increase, we are conscious of maintaining the affordability of our products, and catering to consumers both price-conscious and premium seekers.

ON AVERAGE, EACH TIN OF OUR PRODUCT FULFILLS 33%* OR 1/3 OF THE DAILY PROTEIN REQUIREMENT OF AN INDIVIDUAL.

Fun Facts!

Our following products each contain **3** servings:



Century Tuna Flakes in Oil 155g



Argentina Corned Beef 150g



555 Sardines in Tomato Sauce 155g

*This is computed using the weighted average of the protein content of our tuna, sardines, and meat products that we sold in 2018.

Fortifying our products

Aside from protein, our products also contain other nutrients.

MARINE

OMEGA3 DHA

Our Century Tuna products have Omega3 DHA, a fatty acid that is good for the heart. From the total Century Tuna products that we sold, we are able to provide 63.6 Million grams of Omega3 and 5.2 Million grams of DHA to consumers.

Natural coloring

Our marine products do not use any form of artificial coloring. The recipe for our tomato sauce in sardines uses lycopene instead.

MEAT

IRON

Iron is a crucial supplement in assisting the body to circulate blood. 1.7 Million grams of iron was incorporated in the meat we sold to the market in 2018.

ZINC

Zinc helps regulate the immune system, a function that we regularly need. In 2018, 1.2 Million grams of zinc was included in the Argentina products we sold.

MILK

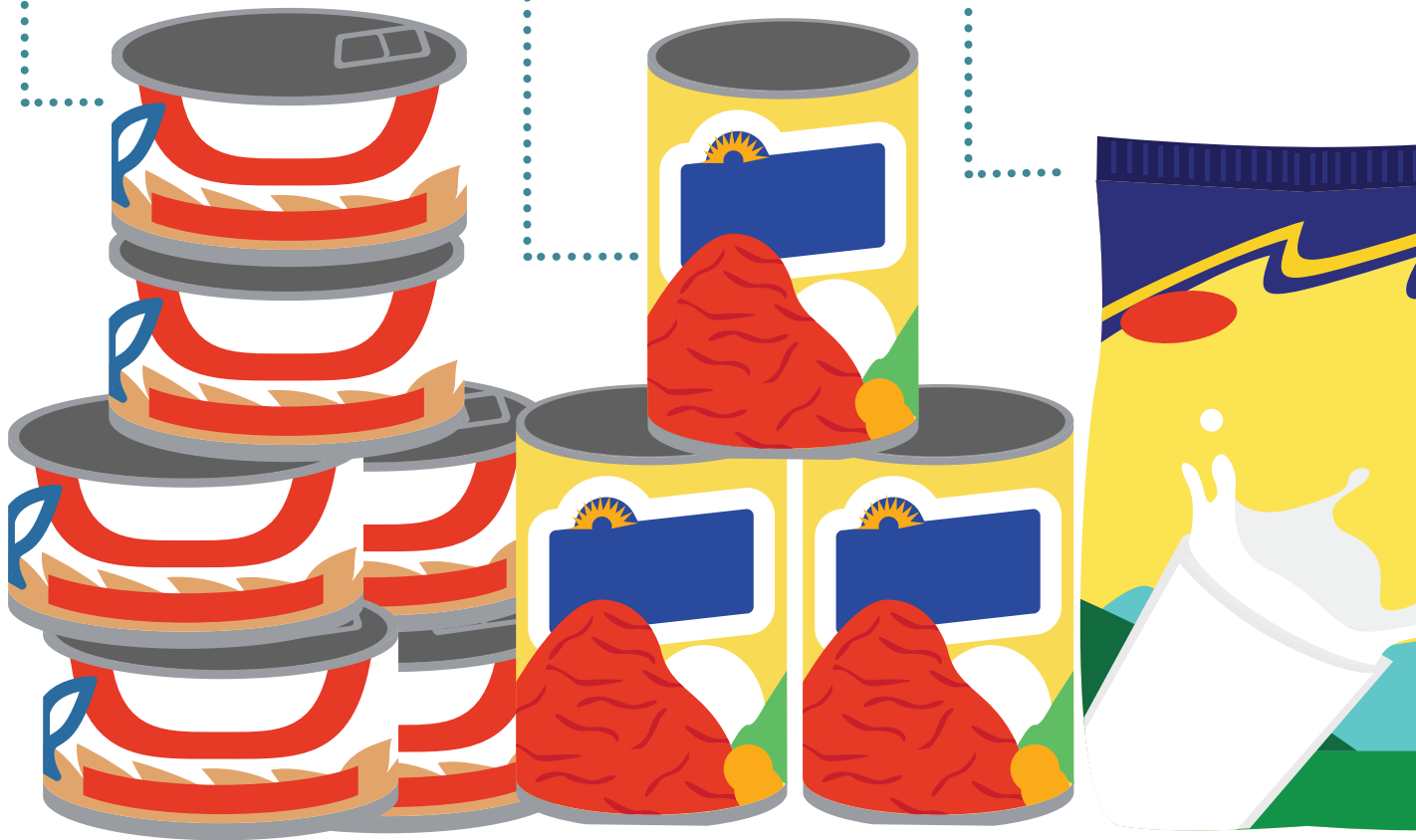
CALCIUM

Birch Tree products were able to supply at least 5.5 Million grams of calcium to children in the past year, helping them grow stronger.

PROBIOTICS INULIN

Birch Tree Fortified and Birch Tree Choco variants contain probiotics inulin, which help fight chronic illnesses.

Aside from the nutrients stated above, Birch Tree also provides Vitamins A, B1, B6, and C, and Minerals (Phosphorous, Sodium, Potassium, Magnesium, Iron, and Zinc).



Despite the presence of nutrients, we also acknowledge the presence of some ingredients in our products which, in excess, may not be good for the body, such as sodium and nitrite. With our R&D Department on lead, we are taking further steps into improving our recipes' nutritional value without sacrificing taste and quality for our consumers.

COCONUT

FAT

Coconut oil, dessicated coconut, and coco oil contain plant-based fat that also has antioxidants. We were able to provide 5.8 Million kg of this through the products we sold.

POTASSIUM

We were able to roll out a total of 22 Million g of potassium for 2018. This is from our Coco Water and Dessicated Coconut products which have 0.23g and 6.6g of potassium per kg of product respectively.

Our dessicated coconut product also has traces of iron, zinc, and vitamin E. Oil, milk and flour products are rich in healthy acids such as lauric, myristic, palmitic, and oleic.



Feeding public school students through KAIN Po 413-1

Since its conception in 2010, the "KAIN Po" program ("Let's Please Eat") has continued to provide feeding programs to the poorest districts and provinces in the country with the goal of improving the health of the resident young students and consequently, increase their enthusiasm in attending schools. In 2018, we donated PHP8.27 million worth of CNPF products for this program. The children we fed and schools we partnered with doubled in number.



PROTEIN DELIVERY

2018 Highlights

and improvements from 2017

PHP 8.27M worth of CNPF products donated

+7%

5.02M meals provided

+1%

173K children fed

+107%

145 partner schools

+101%

Accessibility 102-6

As a consumer-centric company, improving convenience in accessing our products is a priority. We do this through continuously expanding our regional reach and distribution network.

PROTEIN DELIVERY



Reaching regions in and out of the PH

In 2018, we were able to sell 26.18 million cases of our products across the Philippines.



Meanwhile, our global sales continue to increase as well, with more than 768k cases sold in 62 countries.

Widening our distribution network

We aim to establish our presence in the biggest supermarkets and even in the smallest sari-sari stores. Each year, we increase the number of outlets we serve and are available in. As of 2018, we are available in 78% of all points of sale in the country, translating to more than 904,000 outlets.



Source: Nielsen 2018

Venturing into Food Service

Century Pacific Food, Inc. Food Service is the business solutions provider of CNPF. It was formally launched in 2007 and was created to serve the specific needs of institutional clients through our portfolio of products and brands, and has grown dramatically since then. Working closely with our Culinary group, we help in menu ideations and development to come up with creative, innovative and healthy offerings for their customers. We work together with our Research & Development group for developing institutional pack sizes to suit our clients' requirements and operations. Our Quality Assurance group ensures high quality and safety of all our products.

We have strategic depots located in key cities around the country therefore we can service institutional clients wherever they are.



Source for total accommodation and food service establishments in the PH: PSA 2016

Taking quick action in disaster response

Canned goods is one of the most convenient food options for people in disaster stricken communities. We play our part as one of the first to respond whenever disaster comes in the Philippines. We provide our ready-to-eat and easy open canned products to disaster-stricken families for consumption. Among our partners in this endeavor are Caritas Manila, University of Asia and the Pacific, Couples for Christ Foundation for Family and Life, Gawad Kalinga, Philippine Red Cross, and Department of Education.

160,000+
cans donated
to typhoon stricken communities since 2012

Food quality and safety 102-11 416-1

The continuous increase in our sales is a testament to the trust that we have gained from our consumers. We ensure to maintain this trust in the long run, and one of the ways we do this is communicating to them how we implement our product quality and safety measures.

Testing and trainings

In the past 3 years, we released a number of new varieties to our existing products. For our Quality Assurance (QA) and Research & Development (R&D) teams, this means putting more hours in technical trainings, proficiency testing, and raw material safety testing to maintain the quality and safety of our food.

The QA teams ensure the food quality and safety handling of the food products.

5 INTERNATIONAL STANDARDS FOLLOWED

- Philippine National Standard
- Association of Official Agricultural Chemists
- Compendium of Microbiological Criteria for Food
- Codex Alimentarius
- ASTM International

10 INTERNATIONAL FOOD SAFETY LABELLING STANDARDS FOLLOWED

417-1

US	Japan
Canada	Russia
Europe	UAE
UK	Saudi Arabia
Australia	Israel

Meanwhile, the R&D team's focus is the functionality and taste of the materials to be used for production and the product itself, making sure it's palatable for the consumers.

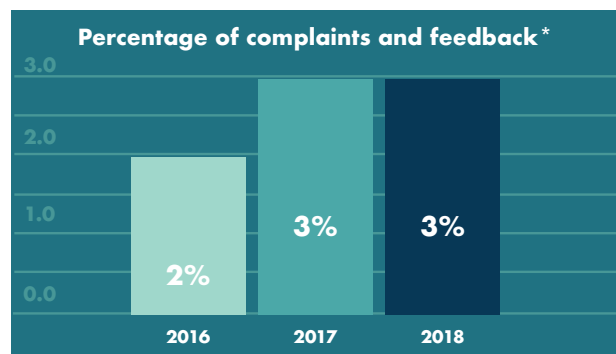
R&D have different kinds of seminars where the team gains both technical knowledge to innovate on new recipes, consider better ingredient alternatives, enhance basic sensory, and soft skills to improve current processes in management.



Engaging with our consumers

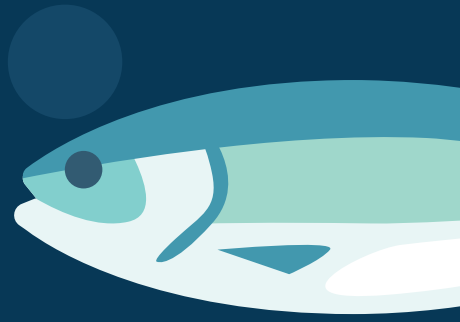
Our consumers are also our partners in quality assurance. We encourage them to inform us should they have any concerns about their products. Most common complaints are about food quality, such as presence of foreign objects with the food, smaller size of the fish/meat, less number of fish in the can, and mislabeling.

Feedback are redirected to the departments responsible for them to be able to work on improvements. We also do our best to address and resolve issues that consumers have with our products.



* Computed by dividing the number of complaints and feedback by the number of total sales in cases per year

PURCHASES assessment



Supplier credibility

Our procurement teams ensure that our suppliers have the credibility to provide us with high quality raw materials, that they are compliant to government regulations, and are accredited by international organizations.



Tuna

All our 37 tuna fish suppliers are:

- Bureau of Fisheries and Aquatic Resources (BFAR) accredited
- Vessels on International Seafood Sustainability Foundation (ISSF) PVR (Fully compliant)
- Earth Island member
- NON-IUU (Illegal, unreported and unregulated)
- Vessels on Regional Fisheries Management Organization (RFMO) List



Coconut

Our operations underwent the Sedex Members Ethical Trade Audit (SMETA) global standards for responsible and ethical sourcing, health, safety and welfare of workers, as well as environment management. Adhering to such standards, we are likewise compliant with the requirements of the U.S. FDA Voluntary Qualified Importer Program.

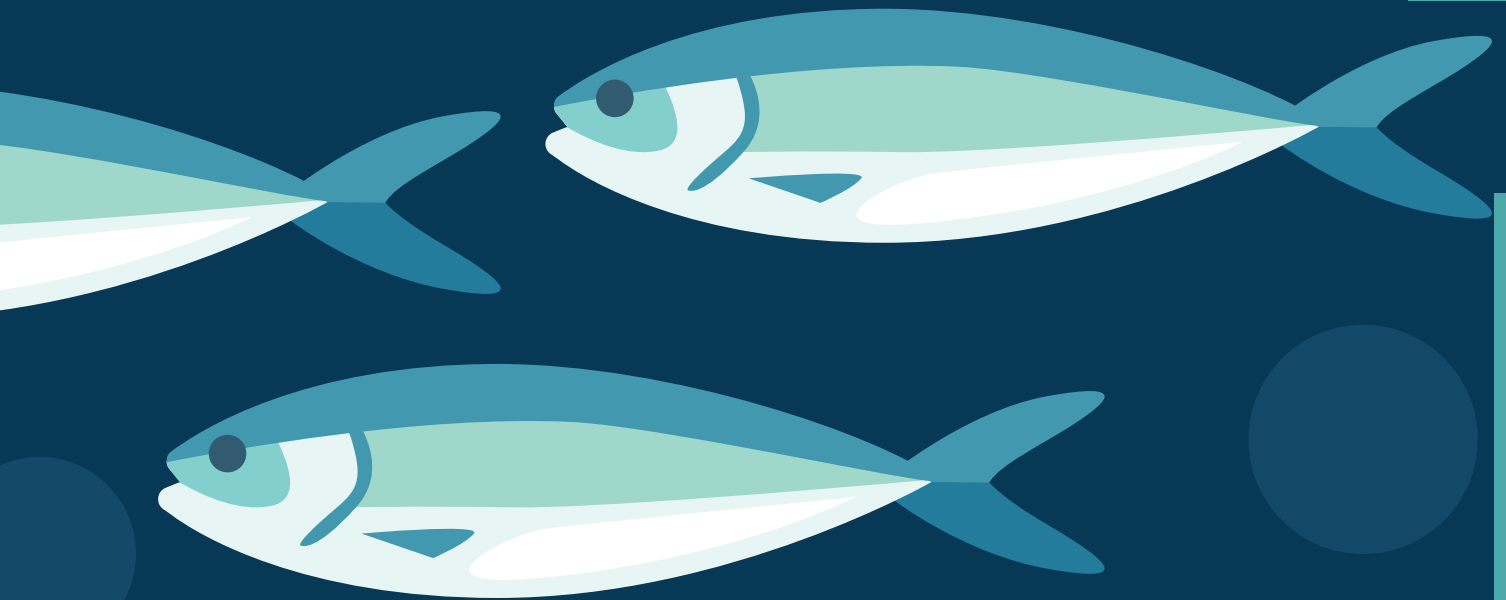
Supporting the protection of our seafood resources

Century Pacific Food, Inc. supports the endeavors of the Regional Fisheries Management Organizations, Government Agencies, environmental advocates and other trade and industry organizations that are committed to protect our seafood resources such as:

- Western and Central Pacific Fisheries Commission
- Bureau of Fisheries and Aquatic Resources
- Earth Island Institute/Dolphin Safe Tuna
- World Wildlife Fund
- International Seafood Sustainability Foundation
- Marine Stewardship Council

Encouraging sustainable fishing methods

- To date, one of our major sustainability projects is the launch of Century Tuna Handline. Its production employs a sustainable fishing method that eliminates by-catch and juveniles, contributing to the conservation of marine life. This product is supported by WWF Philippines which encourages the development of small-scale tuna fishing sustainability programs.
- We also launched and are promoting a farmed marine cultured seafood product, Century Bangus (Milkfish). Century Bangus is an alternative healthy choice of seafood product and reduces the load on wild-caught fish stocks.



Raw materials traceability

Our responsibility goes beyond our operations to our suppliers. Part of what we do in this department is traceability, which is defined as “The ability to trace and identify the history, distribution, location and application of products, parts and materials; to ensure the reliability of sustainability claims in the areas of human rights, labour (including health and safety), the environment and anti-corruption.”¹

We began our efforts on this by tracking our top raw materials in terms of spending. Our main raw materials, fish, milk powder and coconut, can all be traced back to their main sources, the fishing grounds and the farm.

	Item supplied	Level of traceability
Main Raw Materials	FISH (Yellowfin, Skipjack, Tamban, Mackerel) MEAT MILK POWDER (Buttermilk powder, skim milk, fortified milk) COCONUT	Back to fishing grounds Back to farm Back to farm Back to farm
Other raw materials	Oil STRD Tomato Paste Fructose Organic Sugar Ascorbic acid Salt Non-Dairy Creamer (CS) Palm olein	Back to country of origin Back to manufacturer Back to country of origin Back to country of origin Back to country of origin Back to country of origin Back to country of origin Back to manufacturer Back to manufacturer

Tracing our Tuna

We have already committed to Tuna Traceability Declaration 2020, in support of the UN Sustainable Development Goal 14: Life Below Water. Target 14.4 states that “By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish stocks in the shortest feasible time, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics.”

¹ A Guide to Traceability: A practical Approach to Advance Sustainability in Global Supply Chains. United Nations Global Compact

FULLY COMPLIANT WITH 21 OF 21 APPLICABLE ISSF CONSERVATION MEASURES

CNPFF remains a committed member of global initiatives that address sustainability issues, particularly those involving tuna supply. Our ongoing membership in the **International Seafood Sustainability Foundation (ISSF)**, through wholly-owned subsidiary General Tuna Corporation, requires strict annual compliance to all ISSF conservation measures. ISSF engages MRAG Americas to conduct an audit of this performance against conservation measures and commitments in force since 2015. We also work closely with responsible regional fisheries management organizations, government agencies, environmental advocates, and peers in the industry to ensure compliance with global policies and consequently protect the ocean stocks for future generations.

1. Tuna Regional Fisheries Management Organizations (RFMO) Authorized Vessel Record

All purchases must be from vessels listed on the authorized vessel record of the RFMO governing the ocean area in which the tuna was caught, at the time of the fishing trip, so long as the vessel is of a size subject to listing in the RFMO authorized vessel record.

2. RFMO Participation

All purchases must be from vessels flagged to a member or cooperating non-member of RFMO relevant to fishing area.

3. Product Traceability

Demonstrate ability to trace products from can code or sales invoice to vessel and trip.

4. Quarterly Data Submission to RFMO

Send quarterly information to RFMO scientific bodies on the last day of the immediately following calendar quarter

5. Shark-Finching Policy

Company establishes and publishes policy prohibiting shark finning.

6. Prohibition of Transactions with Shark-Finching Vessels

Refrain from transactions with vessels that have shark finned within two years of the product purchase date.

7. Prohibition of Transactions with Companies without a Public Policy Prohibiting Shark Finning

No transactions with companies that do not have a public policy prohibiting shark finning.

8. Large-Scale Pelagic Driftnets Prohibition

No transactions in vessels using large-scale pelagic driftnets.

9. Full Retention of Tunas

All purse seine caught tuna retained onboard, except those unfit for human consumption as defined, or when in the final set of a trip, there is insufficient well space to accommodate all fish caught in that set.

10. Skipper Best Practices

Unless exempt, skipper has attended an ISSF Skippers Workshop in person, has viewed the Skippers Workshop video online, or has reviewed the Skippers Guidebook.

11. Transactions with Vessels that Use Only Non-Entangling Fish Aggregating Devices (FADs)

Processors, traders, importers, transporters, marketers and others involved in the seafood industry shall conduct transactions only with those purse seine vessels whose owners have a public policy regarding the use of only non-entangling (NE) FADs.

12. Unique Vessel Identifiers (UVI) – International Maritime Organization (IMO)

All purchases must be from vessels with an IMO UVI number if the vessel is capable of being registered by IMO.

13. Purse Seine Unique Vessel Identifiers

All purse seine vessels with which the company transacts in tuna, and which are not able to receive an IMO UVI number, must have a TUVI issued by CLAV or ISSF.

14. Observer Coverage

Evidence of 100% observer coverage (human or electronic) on large-scale purse seine vessels unless exempt or prevented by force majeure.

15. Transshipments

Unless exempt, no transactions in tuna where transportation included transshipment.

16. Illegal, Unreported and Unregulated (IUU) Fishing

No transactions with vessels on any tuna RFMO IUU vessel list.

17. Illegal, Unreported and Unregulated (IUU) Product Response

No IUU purchases. If IUU found, company must withdraw these products from the marketplace.

18. Transaction Ban for Large-Scale Purse-Seine Vessels not Actively Fishing for Tuna as of December 31, 2012

Demonstrate that all purchases of large-scale purse seine vessels are from vessels actively fishing for tuna as of December 31, 2012 and listed on the ISSF Record of Large-Scale Purse Seine Vessels.

19. Purchases from Purse Seine Vessels in Fleets with Other Vessels Not in Compliance with ISSF Conservation Measures 6.1 and 6.2(a)

Processors, traders, importers, transporters, marketers, and others involved in the seafood industry shall refrain from transactions in skipjack, bigeye, and yellowfin tuna caught by any and all large-scale purse seine vessels owned by business organizations or individuals that also own large-scale purse seine vessels not in compliance with ISSF Conservation Measures 6.1 and 6.2(a).

20. Registration of Controlled Vessels

Register all controlled purse seine vessels on the PVR.

21. Purchases from PVR Vessels

For fishing trips beginning on or after January 1, 2016, source 100% of skipjack, yellowfin and bigeye tuna caught by large-scale purse seine vessels from vessels registered in the PVR.

The Company's full compliance audit results as reported by MRAG are available on the ISSF website (<http://iss-foundation.org/>) and on CNPF's website (<http://www.centurypacific.com.ph/>).

PLANET

preservation



Natural resource efficiency

CNPf recognizes the fact that natural resources are finite and that imprudent consumption leads to scarcity. As a growing business, we understand the need to take care of these reserves while ensuring well-managed operations.

It is imperative that we balance our production outputs with our energy and water requirements, ensuring that our consumptions are well within responsible levels. We therefore monitor our resource usage and measure our efficiencies, while adopting industry best practices in energy and water management.

Managing our energy consumption

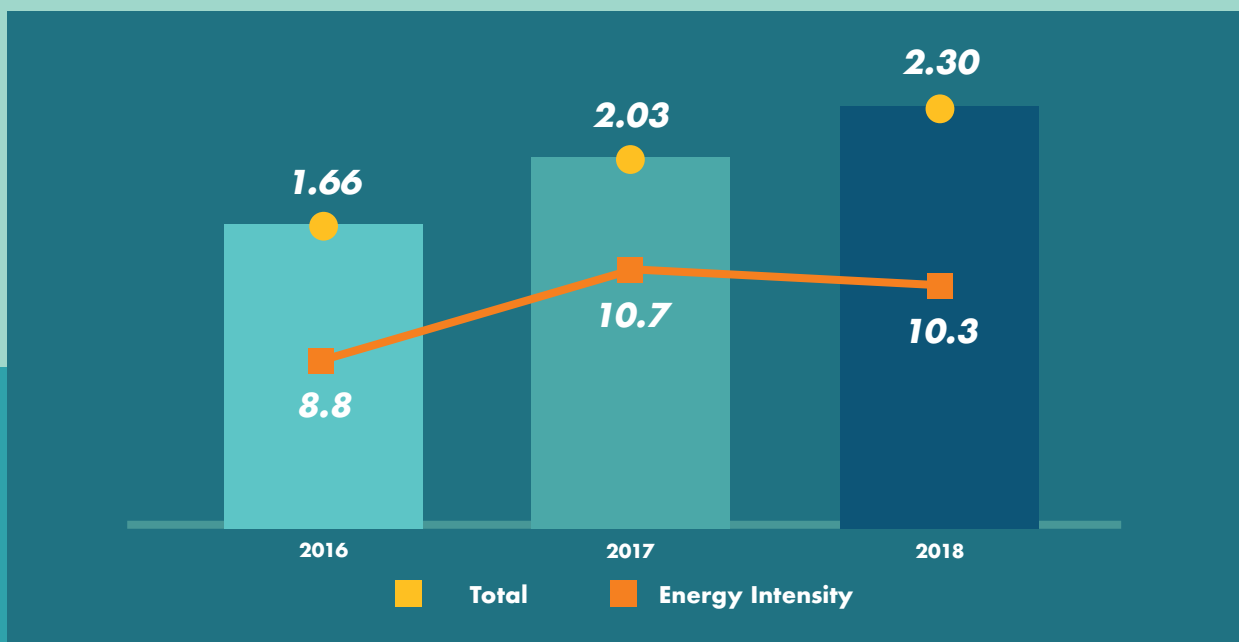
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- 302-2
- 302-3
- 302-4
- 302-5

Energy is a key driver of our factories’ operations. We utilize steam generated from bituminous coal and purchased electricity to run our equipment and facilities, and we use diesel in our generator sets as back-up power source. We understand that as our business grows, our energy footprint rises in parallel. Hence, we continuously monitor and optimize our energy consumption.

The total energy consumption across all our plants increased by 13 percent from the previous year.

This increase is primarily driven by the expansion of our tuna and coconut factories, as well as, the use of coal with higher calorific value. Despite this, we were able to bring down our energy intensity by three percent in 2018. Energy intensity is a measure of our efficiency, and it denotes how much energy we have consumed for every tonnage of products we have produced.

Energy Consumption * & Energy Intensity ** of CNPF Plants



We strive hard in improving the energy efficiency of our facilities by implementing power-saving initiatives. Our tuna plant had shifted to using LED lights since 2017. Other machinery, such as pumps and motors, have been replaced with equipment with the same output requirements but have lower power rating.

* In million gigajoules
 ** In GJ per ton product

Greening our head office

Our Information Technology department leads environment-related initiatives aimed at reducing power consumption.

1. Consolidation of servers resulting to a decrease in electricity maintenance, overall heat dissipation, and cooling requirements.
2. Replacement of cooling systems with new ones containing Variable Refrigerant Volume (VRF) technology which uses more environment-friendly refrigerants as the cooling medium resulting to lower energy consumption.

Managing our water consumption

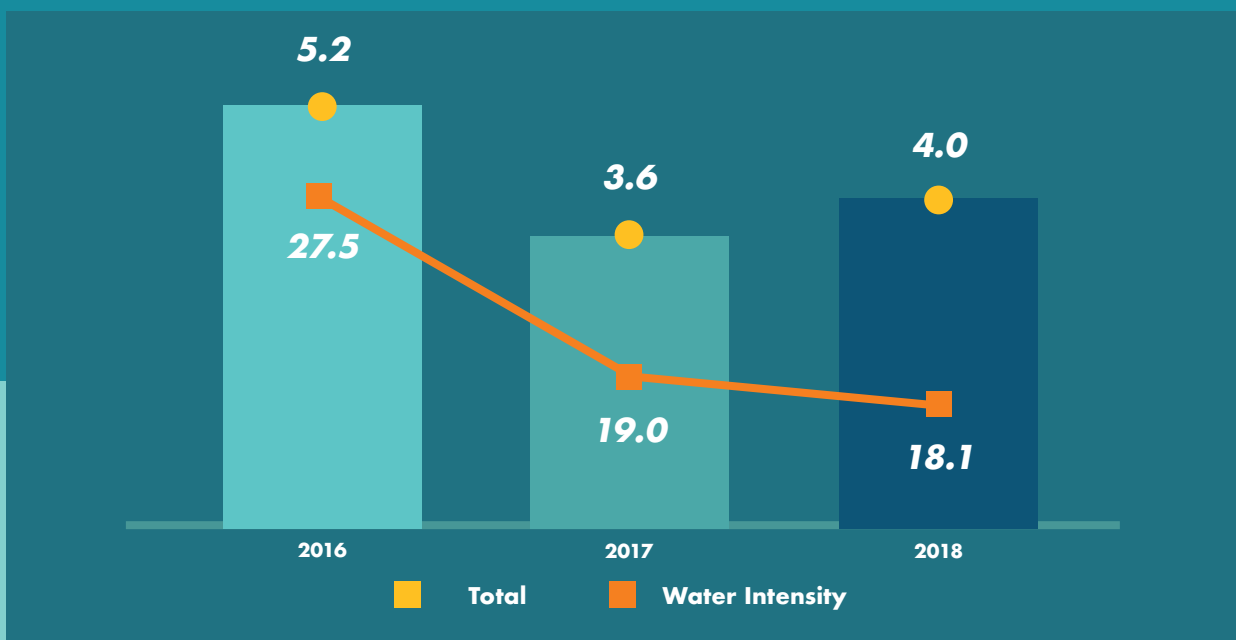
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We are cognizant that water is a vital resource to communities and we are mindful of the sources we draw our water from. Water is used in our factories mainly to produce the liquefied products that we offer and the sauces we include in our canned goods, as well as, to generate steam that powers our operations.

In 2018, our water consumption increased by 11 percent compared to 2017, due to higher operational requirements. Nonetheless, our water intensity improved by 5 percent this year. This means that we consumed five percent less water for every tonnage of product we have manufactured.

We seek to continually improve our water efficiency, as we have in the last three years.

Water Consumption* & Water Intensity** of CNPF Plants



* In million cubic meters

** In cubic meters per ton product

Environmental impact

Climate change is one of the major challenges in the global forefront today, with human and business activities becoming more complex and contributory to increasing greenhouse gas emissions. The global food industry value chain represents about a quarter of the planet's emissions. With world population and food demand incessantly growing, the associated emissions will further rise as well, rendering the 1.5° C global warming limit more difficult to achieve.¹

¹ Waite and Vennard (2018). Without Changing Diets, Agriculture Alone Could Produce Enough Emissions to Surpass 1.5°C of Global Warming. World Resources Institute

Monitoring our emissions

305-1

305-2

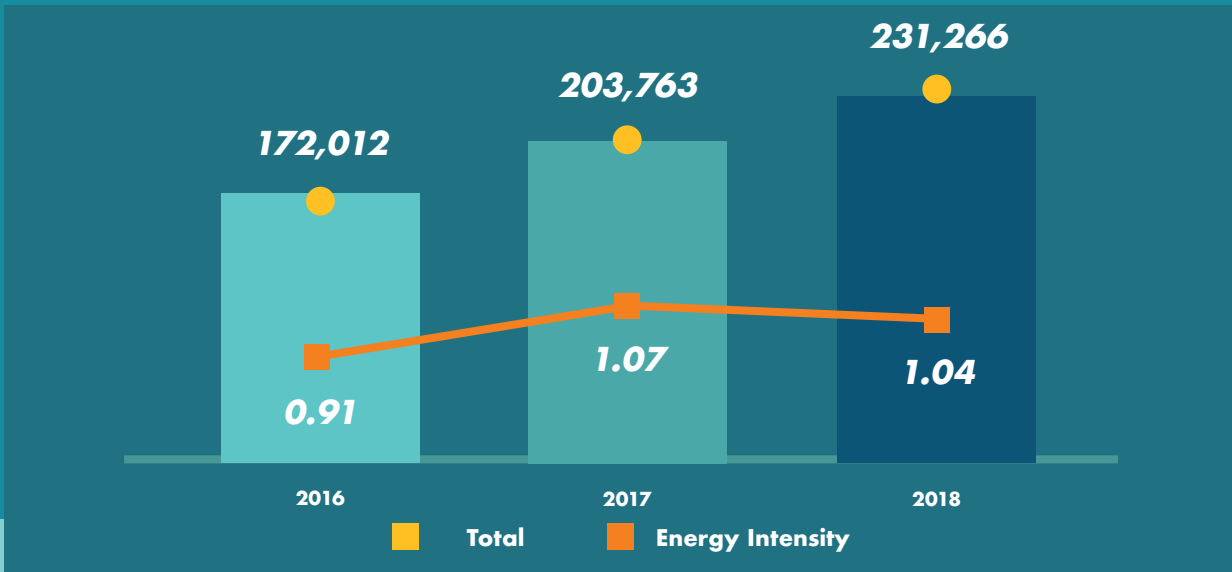
305-4

305-5

We at CNPF acknowledge this reality as we remain vigilant in tracking our carbon footprint and exert more effort to decarbonize our operations. The energy we utilize in our operations have accompanying greenhouse gas generation. The fuel we directly burn in our plants to manufacture our products represents our Scope 1 emissions. The electricity we use to light up our facilities and offices comprises our Scope 2 emissions.

In 2018, our total Scope 1 and 2 emissions increased by 13 percent compared to 2017.² However, we were able to maintain our GHG intensity at about a tonne of carbon emitted per tonne of product manufactured for both years.

GHG Emissions* & GHG Intensity of CNPF Plants (Scopes 1 & 2)**



* In tonnesCO2e

** In tonne of carbon emitted per tonne of product manufactured

Our tuna business had started to use renewable energy through solar panels mounted in its warehouses. For the last three years, we have generated a total of 236,619 kWh of electricity from our solar panels, avoiding about 184 tonnes of carbon dioxide.

Minimizing food waste

According to the World Resources Institute, more than 30 percent of the global food production is lost or wasted. This accounts for about 4.4 gigatonnes of greenhouse gases annually, a number comparable to the total emissions of a developed nation.³

In order to minimize food waste in our operations, we fully utilize the raw materials that we use in our Tuna, Sardines and Coconut production lines.

Marine

- The fish waste from our Tuna and Sardines business segments comprise of the innards, fish heads, and tails that are not included in the final product. We further process and convert them into fish meal.
- Fish meal is also sold to third party buyers. About 18,000 tons of fish meal amounting to Php 624 million was sold in 2018.
- By doing these, we also take advantage of the protein left in these materials, ensuring that they are not wasted as well.
- Our fish meal still contains more than 50 percent of protein. A total of 18,300 tons of protein was recovered from processing tuna and sardines fish meal.

² Standards used for the computation are based on the GHG Protocol, Corporate Protocol and Reporting Standard. Location-based grid emission factors are based on the Department of Energy (Philippines). The gases reported include carbon dioxide, methane, and nitrous oxide.

³ Hanson, Lipinski and Friedrich (2015). What's Food Loss and Waste Got to Do with Climate Change? A Lot, Actually. World Resources Institute

Coconut

- Our Coconut segment has diversified into utilizing all components of our raw materials.
- From initially producing coconut water only in 2013, we started recovering virgin coconut oil (VCO) in 2015, selling them in bulk and retail.
- We also expanded into coconut meat and coconut milk.
- Desiccated coconut are also processed into coconut flour, which can be a raw material for VCO.
- Lastly, coconut shells are sold to third-party buyers and are processed for copra. These coconut shells can also be used as alternative fuel to coal.

Plastic neutrality by 2020

301-3

In the Philippines, majority of consumers' purchasing behavior is anchored to the "tingi" culture, or the buying of smaller amounts of products in aluminum foils and sachets rather than in bulk. Plastic is also used for carrying products bought in the market, for disposing garbage, and more. Though plastic has its proven functionality in our daily lives, the increasing prevalence of single-use plastic has been causing serious consequences in the form of environmental damage.

According to a study by the United Nations Environmental Programme (UNEP) in 2015, the Philippines produces 6.2 kg of plastic waste per day, of which 81% are mismanaged.¹

Last May 2019, CNPF signed an agreement in push to be "plastic neutral" by 2020. The Company, alongside Republic Cement, has agreed to co-process post-consumer plastic waste, converting these to energy as an alternative fuel in producing cement.

We at CNPF recognize that consumer companies face significant cost and performance challenges in finding more sustainable alternatives to plastic. While co-processing is not the perfect solution, it can mitigate the environmental impact of plastic usage. This new partnership paves the way for us to conduct our businesses in a more sustainable way.



¹ Jambeck (2015). Plastic waste inputs from land to ocean. University of Georgia



The method of co-processing uses very high heat from cement manufacturing to completely destroy waste materials, recovering from them thermal and mineral properties which provide the energy needed to produce cement. At a high temperature of 1450°C, co-processed waste leaves zero residue.

Republic Cement will co-process non-specific, recovered post-consumer plastic materials, utilizing energy from the plastics as an alternative fuel to produce cement. This will allow CNPF to be “plastic neutral” by 2020 - offsetting the amount of plastic produced with an equivalent amount of post-consumer plastics to be used for co-processing by Republic Cement.



We at CNPF recognize that while we are able to provide quality and healthier food options in convenient plastic packaging, we cannot put a blind eye towards our responsibility to the environment since the value we provide to our consumers, we cannot produce without a healthy source of natural resources. Because of this, we are moved to take serious action in managing the plastic that we put out to the market and are committed to being a plastic neutral company.

Moving towards this goal, we are already implementing initiatives in minimizing our waste, starting with categorizing them, and setting up a system to measure them.

TIN CANS, GLASS BOTTLES, METAL LIDS, PLASTIC CANISTER AND LIDS

These materials can be sold as scrap and recycled in facilities at resale value.

PAPER LABELS, CASE LABELS, INNER CARTONS

We partner with our suppliers on selling the obsolete stocks to paper mills so it can be used as scratch paper/ memo pad.

FLEXIBLES, POUCHES, POLYBAGS, LAMINATES

We work with our suppliers on recyclability project, evaluation of current laminates for possible down gauging, waste management, and co-processing or upcycling for laminates/polybags.

FACTORY SUPPLIES (PE BAGS/ STRETCH FILM)

Our R&D team has initiatives on increasing the concentration of the ingredients they roll out to the plants so that it will require less packaging. In 2018, we were able to reduce our use of plastic pails by 50%. Meanwhile, our target plastic reduction for the distribution of spice mixes is 20%.

PEOPLE development

PEOPLE DEVELOPMENT

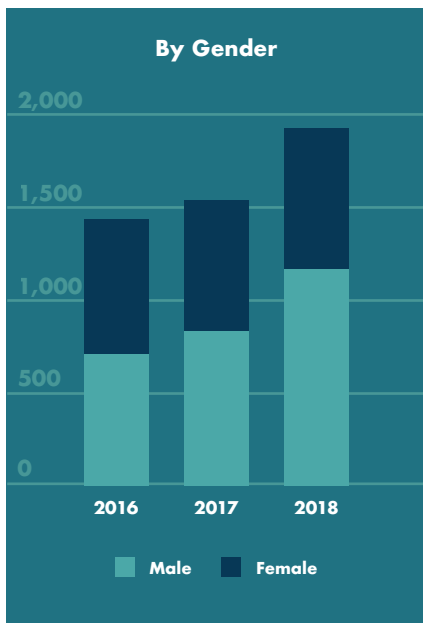
Diverse and inclusive hiring

Fostering diversity and inclusion begins in the hiring and selection process. Our Human Resource department leads this process and considers eligible applicants on the basis of their skills and potential to contribute to the company's business goals and sustainable causes, regardless of their ethnicity, religion, or gender.

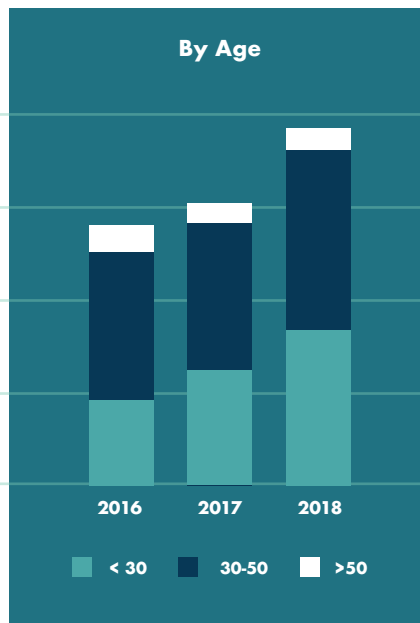
Our workforce profile

102-8

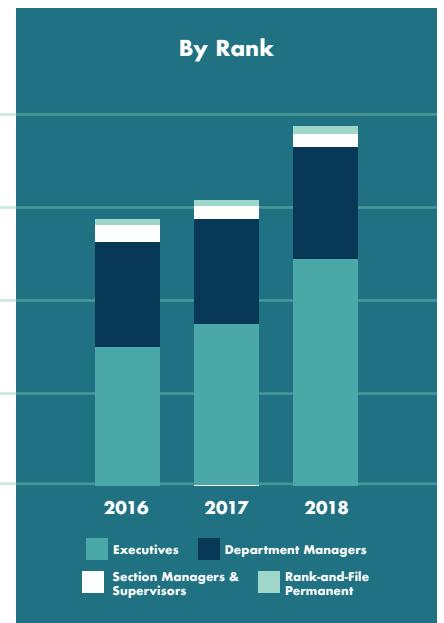
405-1



The ratio between our male and female employees for 2018 is 3:2, not a big difference than that of previous two years' 1:1.



The average age of all employees are going down, as the number of employees aged under 30 increased by 85% in 2 years, and those over 50 years old decreased by 26%. Half of the population remain to be between 30 and 50 years old.

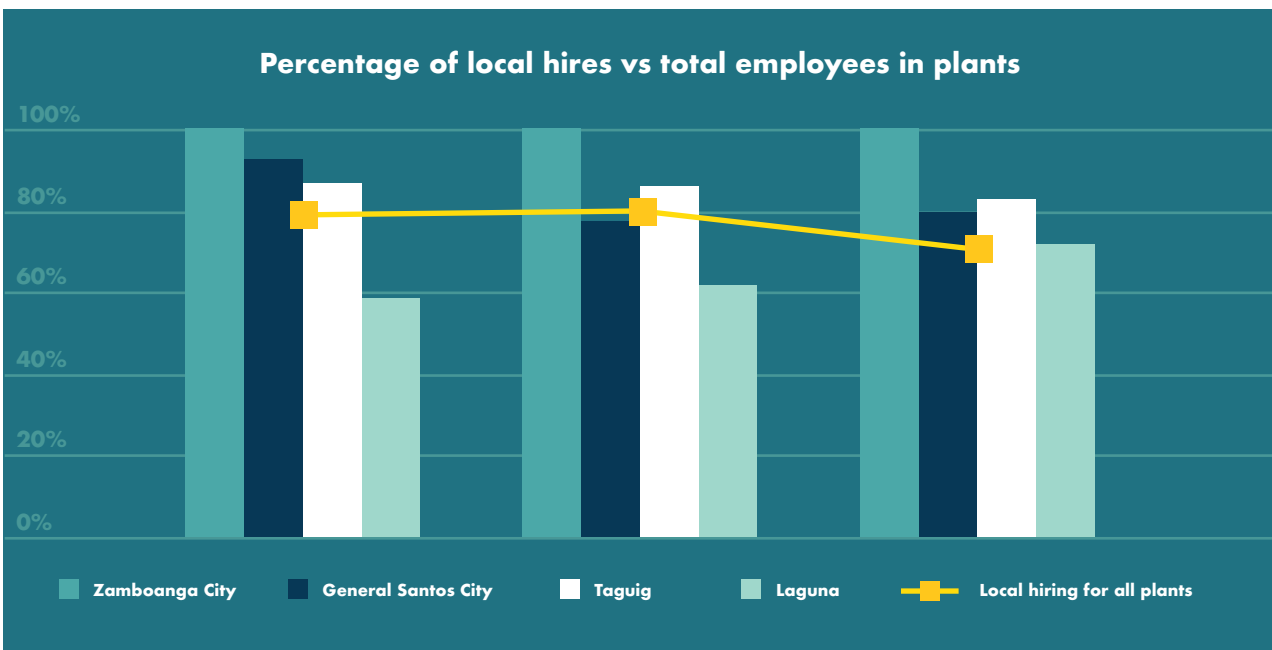


The rank-and-file employees cover the biggest chunk of the total employee population, at 62% in 2018. Section managers and supervisors, and Executives and Department managers comprise 32% and 6% respectively.

Working with the locals

We continue to help boost communities through creating job opportunities for people residing where we operate, namely in our main plants located in General Santos, Zamboanga City, Laguna, and Taguig City. In 2018, 71% of our plant employees reside in these locations.

In our Zamboanga City, where our sardine manufacturing plant is, 100% of employees are locally hired. Our milk plant in Taguig City and tuna/coconut plants in General Santos City,, meanwhile, maintains a local hiring percentage of above 78% for the past 3 years. For our plant in Laguna, the local hires are steadily increasing from 2016's 59% to 2018's 72%.



*For General Santos City, the computation was local hires divided by total new hires x 100

Working with Indigenous People

411-1

Since its inception in 2015, CNPF's Job Caravan Program in General Santos, Mindanao has been helping indigenous people increase their income source by providing job opportunities. The Job Caravan Program has six major recruitment hubs among the tribal communities in different municipalities and districts. With the help of municipal mayors, district captains, Philippine Employment Services Office managers, tribal leaders, and company service providers, CNPF has been able to provide indirect jobs to a total of 1,987 indigenous workers.

Professional and personal growth

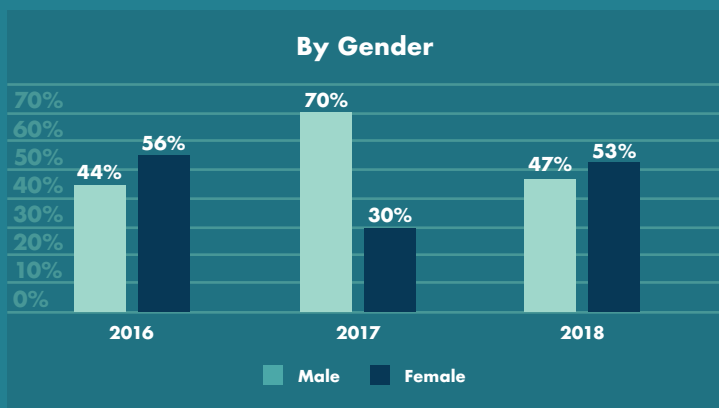
We believe in our employees' innovative capacity to take on challenging tasks and help grow with the company. Setting targets, providing avenues for learning and development, and advancing careers through promotions while encouraging time with family are our ways of helping our employees professionally and personally grow.

Bringing out the best in our people 404-3

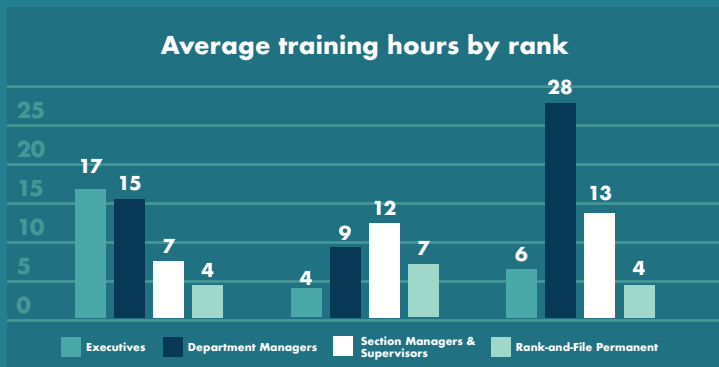
The Company has policies on annual merit increases and salary adjustments that are tied up to the employees' performance assessments. CNPF proudly promotes a culture of recognition and value for key and high-performing employees who demonstrate excellence at the workplace. Performance is the main driver for total rewards. Rewards programs are therefore differentiated across businesses and among employees according to their contributions and levels of performance, with a significant share given to those that are high-performing.

Learning and development 404-1 404-2

We equip our employees with the skills and knowledge that they need to help them grow and contribute to the overall company targets. We continue to increase our training hours and investments in support of the rising employee population.



In 2017, 70% of our training hours were provided to men. In 2018, we took efforts in providing equal training exposure and opportunities for both genders as we have done in 2016. This resulted to having 53% of total training hours be given to women, and 47% to men.



Our Department managers got the most formal training in 2018 with an average of 28 hours, increased 3 times from the previous year. We need our managers to be fully equipped as we expand our business and be able to serve as mentors to the rest of our employees. Our Section managers/supervisors, Executives, and Rank-and-file each got an average of 13, 6, and 4 training hours respectively.

These are just the formal trainings. We also have other platforms in which our employees can learn.

INTERNAL LEARNING

Project teams composed of representatives from different departments are created for them to collaborate and come up with innovative strategies and solutions for the company. Exposure to these teams help our staff widen their perspective of the business.

ONLINE LEARNING

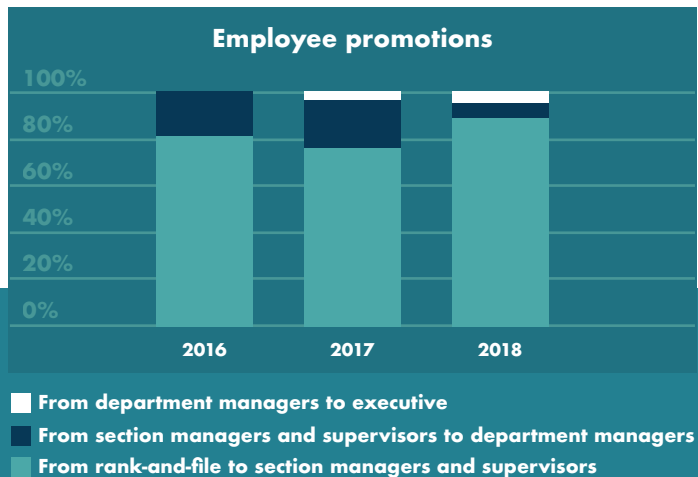
The HR department launched the Century Learn Hub, an online learning platform which aims to provide resources on topics such as daily learning (computer shortcuts, vocabulary, company trivia), leadership insights, micro learning modules on soft skills, external courses attended, and on-boarding modules. This platform is available for use to all CNPF employees.

EXTERNAL LEARNING

Employees are given the opportunity to attend events and meetings outside of the company to expand their knowledge about the industry. Chosen employees conduct echo sessions for their teammates to share new learnings.

Advancing employees' careers

The different trainings and learning avenues that we provide help prepare our employees to take on bigger roles and responsibilities. Every year, around 4% of our total employee population gets promoted to a higher rank. The percentage of promotions from rank-and-file positions to section managers and supervisors continuously increase every year, from 2017's 76%, it is now at 89%. The 6% who were promoted to department managers got the most training hours for the year in order to prepare them for the higher position and train them to manage and lead their people.



Securing employee data and company information

Aside from the physical safety, we are also wary of our employees' data privacy. The Information Technology department spearheads the security of our personal information. They have initiatives such as:

Initiative	Description
Employee Information Security Policies and Procedures	A data privacy process evaluation was conducted last year as a requirement in registering the process with the National Privacy Commission. In the absence of an HR system, the procedures were revised to mitigate vulnerabilities to data breach. Currently, IT is also implementing a PC disk encryption system to further safeguard personal data that are being stored on personal computers particularly laptops.
Employee awareness on data privacy policies and guidelines	The IT Department conducts 4 email blasts every year to make sure that employees are properly informed about data privacy policies and guidelines. A social engineering exercise has also been conducted to test the vulnerability of users to social engineering with the end goal of heightening their overall awareness.
Data Privacy Policy	Refer to page 75.

Along with these cybersecurity measures for employees, we also ensure the safety of confidential company information such as recipes of our products.

STAKEHOLDER ENGAGEMENT

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	Channels of Engagement	Concerns	How we address them
1 Consumers	<ul style="list-style-type: none"> Consumer touch points (phone, email, website, social media channels, regular field work, trade show activities) Regular internal satisfaction surveys Research with 3rd party agencies 	<ul style="list-style-type: none"> Product quality Product accessibility Packaging issues 	<ul style="list-style-type: none"> Timely resolution of customer complaints Tighter partnerships with retailers and customers On-going messaging set-up in social media for faster revert to the customer complaints Product briefings, seminars and workshops for staff
2 Customers and retailers	<ul style="list-style-type: none"> Customer touch points (branches, personnel, phone, email, website, social media channels) Regular site visits to existing retailers and participation in events such as conventions, new store opening, and in-store promotions Joint business reviews and planning 	<ul style="list-style-type: none"> Quality of products (dented products) Reliability and timeliness of product deliveries Convenience of sales process and billing concerns 	<ul style="list-style-type: none"> Timely resolution of complaints and regular feedback Continuous monitoring and upgrade of systems and processes Alignment of activation plans, budget, and promo effectiveness Product briefings, seminars and workshops for staff
3 Suppliers	<ul style="list-style-type: none"> Communication lines (phone, e-mail, meetings, and business reviews) Supplier accreditation process on e-Procurement Delivery schedules Order placement/PO issuance Request for quotations/proposal/bidding information Receiving of deliveries 	<ul style="list-style-type: none"> Issues with bidding through e-Procurement portal Inefficiencies of the system (late delivery advise, sudden changes on the schedule, quantities and location, out of lead-time orders) Late posting of receiving report (RR) resulting to payment concerns Late payment release and unreconciled accounts 	<ul style="list-style-type: none"> Coordination with IT and service provider on speed and performance optimization of eProc portal, and reactivation of vendor training program Management of vendors' expectations by advising ahead of time of the long queue One-time and accurate payment processing and release, and assistance to suppliers regarding accounts payable reconciliation Proper material planning, close inventory monitoring, and cross-functional discussions with top management
4 Employees	<ul style="list-style-type: none"> Online communication through learning portal, email blasts, newsletters, social media Individual and group engagements (performance reviews, engagement surveys, and focus group discussions) Official company events (town hall meetings, planning, and trainings) Team building activities (summer outings, Christmas parties, special wellness events and sports activities) 	<ul style="list-style-type: none"> Strategy and direction of the company Employee salaries and benefits, variable pay, and other financial assistance Career development and growth (programs, succession plans, opportunity for external training, rewards and recognition) Company culture and personal welfare (Occupational Health & Safety, work relationships, wellness programs) 	<ul style="list-style-type: none"> Review and continuous improvement of performance management system, and manpower and succession planning Having a salary structure, benefits, incentive and bonus system, and provision of access to loan programs (SSS, HDMF, company) Partnership with DOLE on occupational health and safety training Implementation of employee engagement, trainings, and recognition programs Initiating wellness programs on physical, mental, and spiritual health (i.e. Century Superbod – Employee Edition, Weight Loss Challenge, First Friday & Special Masses, Prayer room for Muslim colleagues, Annual Physical Exam)

<p>5 Investors and shareholders</p>	<ul style="list-style-type: none"> • Annual stockholder’s meeting • Publication of Annual Report • Analysts’ briefings • Events such as conferences and roadshows hosted by institutional investors • Formal meetings, site visits, and conference calls with investors and analysts 	<ul style="list-style-type: none"> • Trends on the macroeconomic and socio-political environment in the industry • Business outlook, viability, and growth • Implementation of company strategy and reporting of results • Financial management 	<ul style="list-style-type: none"> • Constant engagement with investors, analysts, corporate regulators, and the investing public through different channels • Risk management and good governance procedures • Transparency in the information provided in reports and timeliness of its publications
<p>6 Government</p>	<ul style="list-style-type: none"> • Policy dialogues, consultations, and briefings • Invitation to events and lectures • Annual audits, required reports, and publications such as financial statements • Official correspondence and formal proceedings 	<ul style="list-style-type: none"> • Compliance with laws and regulations • Opportunities and areas for public and private sector collaboration • Completeness and accuracy of reports • Transparency and accountability 	<ul style="list-style-type: none"> • Compliance, transparency and timeliness on submission of required reports and renewal of permits and licenses • Updating of company policies and systems based on the latest government regulations, as needed • Attendance and participation to government-sponsored learning sessions and compliance programs
<p>7 Communities <small>beneficiaries of CSR programs</small></p>	<ul style="list-style-type: none"> • Feeding programs in partner schools, orphanages, and parishes • Volunteer activities in chosen communities • Meeting with other NGOs, CSOs, and government agencies 	<ul style="list-style-type: none"> • Product quality and info • Limits in product variety provided • Recipe of food provided • Timeliness in delivery of goods 	<ul style="list-style-type: none"> • Pre and post-evaluation with stakeholders (students, parent-volunteer, school representatives) • Basic food handling and demo cooking using Century prescribed recipes • Dialogue with the feeding coordinators & parent-volunteers • Planning and coordination with communities and government agencies prior to the volunteer activity
<p>8 Communities <small>surrounding plant operations</small></p>	<ul style="list-style-type: none"> • Community meetings 	<ul style="list-style-type: none"> • Environmental concerns and waste disposal • Traffic congestion caused by trucks coming in and out of the plant • Plummeting of copra/de-husked nuts price to a very low level which severely affects the income of our coconut farmers 	<ul style="list-style-type: none"> • Dialogue with the communities in partnership with the local government unit • Partnership with third party for recycling and upcycling of waste • Adherence to the recommended traffic routes for private vehicles and trucks. • Implementation of feeding programs in schools in General Santos City, near the residence of most of our coconut farmers

OUR STRATEGIES

Reinforce current businesses and brands to deliver quality and value-for-money products that generate attractive returns through responsible sourcing and operational excellence

Solidify market dominance in key categories by investing in our brands and strengthening our products' value proposition

Support category growth by innovating new products and exploring the various sub-segments of the market

Actively search for undervalued brands which can be scaled up and operated more efficiently

Increase operational productivity, manufacturing efficiencies, as well as sales and distribution coverage

Strengthen the organization that attracts, nurtures, and retains passionate and high performing corporate entrepreneurs and teams who live balanced lives

Create an adaptive organizational structure which identifies required roles and places appropriate personnel to fill them, while further institutionalizing the redefined Vision, Mission, and Values

Maintain effective recruitment that utilizes traditional and non-traditional approaches, maximizing the corporate brand and ensuring total compensation & benefits are competitive

Implement active succession planning for the leadership pipeline, formulating overall training strategy across the organization

Strengthen retention strategy and incentive plans for key talents



Pioneer the development of healthier and tastier food and beverages that consumers love and trust through latest credible nutrition science and effective branding

Create a cultural focus on innovation and on trying new things, exploring new product developments within existing categories and in adjacent ones as well



Utilize cutting-edge R&D for the development of products as well the reduction of costs, maximizing both internal and external resources



Enhance brand and product innovations through active and targeted marketing campaigns that differentiates from competition and inspires customers towards brand loyalty



Work closely with long-standing international clients to develop products for sale in international markets, manufacturing them in the most cost effective way

Scale up the business across the globe by creating consumer and customer connections and experiences in a more profitable and sustainable way across the value chain

Establish an international presence by pursuing foreign markets with a sizable Filipino base, utilizing brands that are close to the Filipinos' hearts



Build up world-class manufacturing and export capabilities, building scale and expertise, and becoming a trusted partner for customers around the world



Embed a company mind-set that delivers on short-term results yet prioritizes long-term and sustainable growth that benefits all stakeholders



Utilize and recognize the importance of Environmental, Social, and Governance metrics in ensuring and measuring the sustainability of the business model



BOARD OF DIRECTORS

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RICARDO S. PO, SR. Founder & Chairman Emeritus

Ricardo S. Po, Sr. is the Founder and Chairman Emeritus of Century Pacific Food, Inc. (CNPF). A self-made entrepreneur, he started his professional career as a journalist then moved on to advertising where he started and managed Cathay Promotions Advertising Co. and later became a stock broker. He founded CNPF in 1978 and grew it to become one of the largest canned food companies in the Philippines. He was awarded a Masters in Business Administration by the University of Santo Tomas in 2006. He is the father of Ricardo Gabriel T. Po, Teodoro Alexander T. Po, Christopher T. Po, and Leonardo Arthur T. Po.



CHRISTOPHER T. PO Executive Chairman

102-23

Christopher T. Po was re-elected as the Company's Executive Chairman on July 3, 2018. He concurrently serves as the Chairman of Shakey's Pizza Asia Ventures, Inc. (PIZZA) and as a Director of Arthaland Corporation (ALCO), a property developer listed on the PSE. Prior to those roles, he was Managing Director for Guggenheim Partners, a U.S. financial services firm, where he was in charge of the firm's Hong Kong office. Previously, he was a Management Consultant at McKinsey and Company working with companies in the Asian region. He also worked as the Head of Corporate Planning for JG Summit Holdings, a Philippine-based conglomerate with interests in food, real estate, telecom, airlines, and retail. He graduated summa cum laude from Wharton School and College of Engineering of the University of Pennsylvania with dual degrees in Economics (finance concentration) and applied science (system engineering) in 1991. He holds a Master degree in Business Administration from the Harvard University Graduate School of Business Administration. He is also a member of the Board of Trustees of WWF-Philippines and is the President of the CPG-RSPo Foundation, the socio-civic arm of CNPF.

AUDIT COMMITTEE



CHAIRPERSON



MEMBER

BOARD RISK OVERSIGHT COMMITTEE



CHAIRPERSON



MEMBER

CORPORATE GOVERNANCE COMMITTEE



CHAIRPERSON



MEMBER

RELATED PARTY TRANSACTION COMMITTEE



CHAIRPERSON



MEMBER



TEODORO ALEXANDER T. PO
Vice Chairman, President & CEO

Teodoro Alexander T. Po was elected as the Company's Vice Chairman, President, and Chief Executive Officer on July 3, 2018. He concurrently serves as the Vice Chairman of PIZZA. Since 1990, he has held various positions in CNPF. He graduated summa cum laude from Boston University with a Bachelor of Science degree in Manufacturing Engineering in 1990. He also completed the Executive Education Program (Owner-President Management Program) at Harvard Business School.

BOARD OF DIRECTORS



RICARDO GABRIEL T. PO
Vice Chairman



Ricardo Gabriel T. Po was re-elected as the Company's Vice Chairman on July 3, 2018. He concurrently serves as a Vice Chairman of PIZZA and as a Vice Chairman of ALCO. He was the Executive Vice President and Chief Operations Officer of CNPF from 1990 to 2006 and became the Vice Chairman of its Board of Directors in 2006. He graduated magna cum laude from Boston University with a Bachelor of Science degree in Business Management in 1990. He also completed the Executive Education Program (Owner-President Management Program) at Harvard Business School in 2000.



LEONARDO ARTHUR T. PO Director & Treasurer

Leonardo Arthur T. Po was re-elected as the Company's Director and Treasurer on July 3, 2018. He concurrently serves as the Director and Treasurer of PIZZA and as the Director, Executive Vice President, and Treasurer of ALCO. He graduated magna cum laude from Boston University with a degree in Business Administration and has extensive and solid business development experience in consumer marketing, finance and operations of fast-moving consumer goods (FMCG), foodservice, quick-serve restaurants, and real estate development.



FERNAN VICTOR P. LUKBAN Lead Independent Director



Fernan Victor P. Lukban was re-elected as the Company's Lead Independent Director on July 3, 2018. He concurrently serves as the Lead Independent Director of PIZZA and as a Director of PSE-listed company Central Azucarera de Tarlac, Inc. He is a well-recognized consultant in family business, strategy, entrepreneurship, and governance. He holds undergraduate degrees in Engineering (Industrial Management - Mechanical from De La Salle University, Manila) and graduate degrees in economics (MSc in Industrial Economics from the Center for Research & Communication, now University of Asia & the Pacific) and in business (MBA from IESE Barcelona, Spain). He spent much of his early professional years in academia, helping establish the University of Asia & the Pacific where he currently participates as a consultant, mentor, and guest lecturer. He is a founding fellow of the Institute of Corporate Directors. He also served as an Independent Director of ALCO from 2011 to 2016.



JOHNIP G. CUA
Independent Director



Johnip G. Cua was re-elected as the Company's Independent Director on July 3, 2018. He concurrently serves as the Chairman of Xavier School, Inc., as the Chairman and President of Taibrews Corporation, and as a Director of various corporations including BDO Private Bank, PAL Holdings, Inc., MacroAsia Corporation, and STI Education Systems Holdings, Inc., among others. He has extensive experience in the consumer goods and marketing industries, having served as the President and General Manager of Procter & Gamble Philippines from 1995 to 2006. Prior to this, he held a number of positions at Procter & Gamble, including Manager of Product Development and Project Supply at Procter & Gamble Taiwan and Category Manager of Procter & Gamble Philippines. He has received a number of awards, including the Agora Awards' Outstanding Achievement in Marketing Management (1998) and Procter & Gamble Global Marketing Organization's Passionate Leadership Award (2006). He holds a Bachelor of Science degree in Chemical Engineering from the University of the Philippines.



FRANCES J. YU
Independent Director



Frances J. Yu was elected as the Company's Independent Director on March 5, 2019. She concurrently serves as an Independent Director of PIZZA and as the Chief Retail Strategist of Mansmith and Fielders, Inc., the largest marketing and sales training company in the Philippines. She was previously the Vice President and Business Unit Head of Rustan's Supermarket and the Vice President and Head of Marketing Operations for Rustan's Supercenters, Inc. She founded FJY Consulting, Inc., a corporate marketing and management consulting company which she managed as President. She was also the Vice President and General Manager of a marketing research and consulting firm catering to the top 500 corporations in several sectors. From 2003 to 2005, she served as the Chairperson for the National Retail Conference and Stores Asia Expo (NRCE) Programs Committee of the Philippine Retailers Association. She graduated summa cum laude from Fordham University, New York with a Bachelor of Arts degree in English Literature.



EILEEN GRACE Z. ARANETA Independent Director



Eileen Grace Zshornack-Araneta was elected as the Company's Independent Director on March 5, 2019. She concurrently serves as an Independent Director of PIZZA and as a consultant for brand and communications strategy to both multinational and local clients. Her professional experience spans 25 years as a marketing and advertising practitioner, having held senior positions at Unilever Philippines and J. Walter Thompson. At Unilever, she occupied a Southeast Asia regional post as Vice President of Brand Development for Knorr. Prior to this, she was Managing Director for Unilever Foods Philippines handling the Knorr, Lady's Choice, Best Foods, and Lipton brands. She was also Marketing Director for the personal care division with an extensive portfolio of brands such as Sunsilk, Cream Silk, Rexona, Pond's, Dove, Close Up, and Vaseline. Through her involvement with a wide range of brands, she has built up deep expertise in category strategy, consumer insight mining, and brand and advertising development. She is a graduate of the University of the Philippines where she finished her Bachelor of Science degree in Business Economics as magna cum laude.



IN MEMORIAM

ENRIQUE A. GOMEZ, JR. APRIL 14, 1952 - NOVEMBER 11, 2018

Enrique A. Gomez, Jr. was first elected as the Company's Director on June 30, 2017, until his passing in 2018. He concurrently served as a Director of PIZZA and as Chairman of IdeaForma Asia Pacific Group, Inc., a management consultancy company. He was President of San Miguel Food and Beverage International, Inc. from 2004 to 2005. From 2001 to 2004, he was President of San Miguel Purefoods Company and Chairman/Director of all food group subsidiaries. He was President of La Tondena Distillers, Inc. (now Ginebra San Miguel, Inc.) from March 2000 to April 2001 and also served as San Miguel Packaging Products President and Chairman of all packaging group subsidiaries from June 1998 to February 2000.

Farewell to a great leader and beloved mentor. Thank you for touching our lives.



SENIOR MANAGEMENT

Standing from Left to Right

1 OSCAR A. POBRE
*Chief Finance Officer,
 Chief Information Officer
 & Chief Risk officer*

**4 ROBERT
 CRISENCIO C.
 MANANSALA**
*Director - Fish
 Procurement*

**7 GIOVANNA M.
 VERA**
*AVP - Investor Relations
 & Treasury*

2 TEDDY C. KHO
*Vice President & General
 Manager - Tuna OEM*

Seated from Left to Right
**5 JANINA MARA T.
 MENDOZA**
AVP - Export Business

Not in Photo
8 CEZAR D. CRUZ, JR.
*Vice President & General
 Manager - Canned &
 Processed Fish, Sardines*

**3 PAUL V.
 HERNANDEZ**
*AVP - Information
 Technology*

6 NELIA A. PURA
AVP - Finance

**9 DIONISIO A.
 BALAGSO**
*AVP - Corporate
 Controllership*



SENIOR MANAGEMENT

Standing from Left to Right

10 **WILHELMINO D. NICOLASORA, JR.**
Vice President -
Domestic Sales

14 **FRANCIS Y. RODRIGUEZ**
AVP - General Trade

18 **RONALD M. AGONCILLO**
Vice President & General
Manager - Milk

11 **RICHARD KRISTOFFER S. MANAPAT**
AVP - Corporate Planning
& Demand Planning

15 **RAYMUNDO VER R. GUINOO**
Marketing Director -
Milk

19 **JOSEPH EDWIN A. QUIMPO**
AVP - Trade Marketing

12 **HONELET C. SAYAS**
AVP - Corporate Quality
Assurance & Technical
Services

16 **RALPH S. UMALI**
AVP - Modern Trade

13 **CARINA M. LISING**
AVP - Food Service

Seated from Left to Right

17 **GREGORY FRANCIS H. BANZON**
Executive Vice President &
Chief Operations Officer



Standing from Left to Right

20 **GERALD R. MANALANSAN**
AVP - Logistics

24 **NOEL M. TEMPONGKO**
Vice President & General Manager - Coconut OEM

28 **MARIA DEMETRIA S. SIASOCO**
AVP - Canned Meat Marketing

21 **BRYAN A. LINGAN**
Marketing Director - Emerging Business

25 **ALVIN A. MANUEL**
AVP - Labor & Employee Relations

Not in Photo

29 **DAISY G. ENGLE**
AVP - Corporate Research & Development

22 **EMERSON C. VILLARANTE**
Vice President - Human Resources & Corporate Affairs

26 **MANUEL Z. GONZALES**
Corporate Secretary

Seated from Left to Right

23 **EDWIN RAYMOND C. AFRICA**
Senior Vice President & General Manager - Meat & Corporate Business Services

27 **MARY JENNIFER S. TAN**
AVP - Corporate Procurement

CORPORATE GOVERNANCE

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CORPORATE GOVERNANCE

The Company recognizes the importance of good governance in successfully progressing in its sustainability journey and creating greater value for shareholders. We believe that good corporate governance is to span across our entire value chain to ensure the organization operates along the lines of business ethics, complies with rules and regulations, and adheres to fair labor practices as we continue to fulfill our multiple economic, moral, legal, and social obligations towards our stakeholders.

SHAREHOLDERS

Elect / Dismiss

Ratify / Dismiss

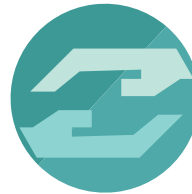
BOARD OF DIRECTORS



Corporate Governance Committee



Board Risk Oversight Committee



Related Party Transaction Committee



Audit Committee

Assists

Appoints



Corporate Secretary

Report

- Elect
- Determine Remuneration Parameters
- Supervise and Review

Report



Independent Auditor

Report

Review

Executive Committee & Management Committee

Appoints



Compliance Officer

Report

- Elect
- Determine Remuneration Parameters
- Supervise and Review

Audit

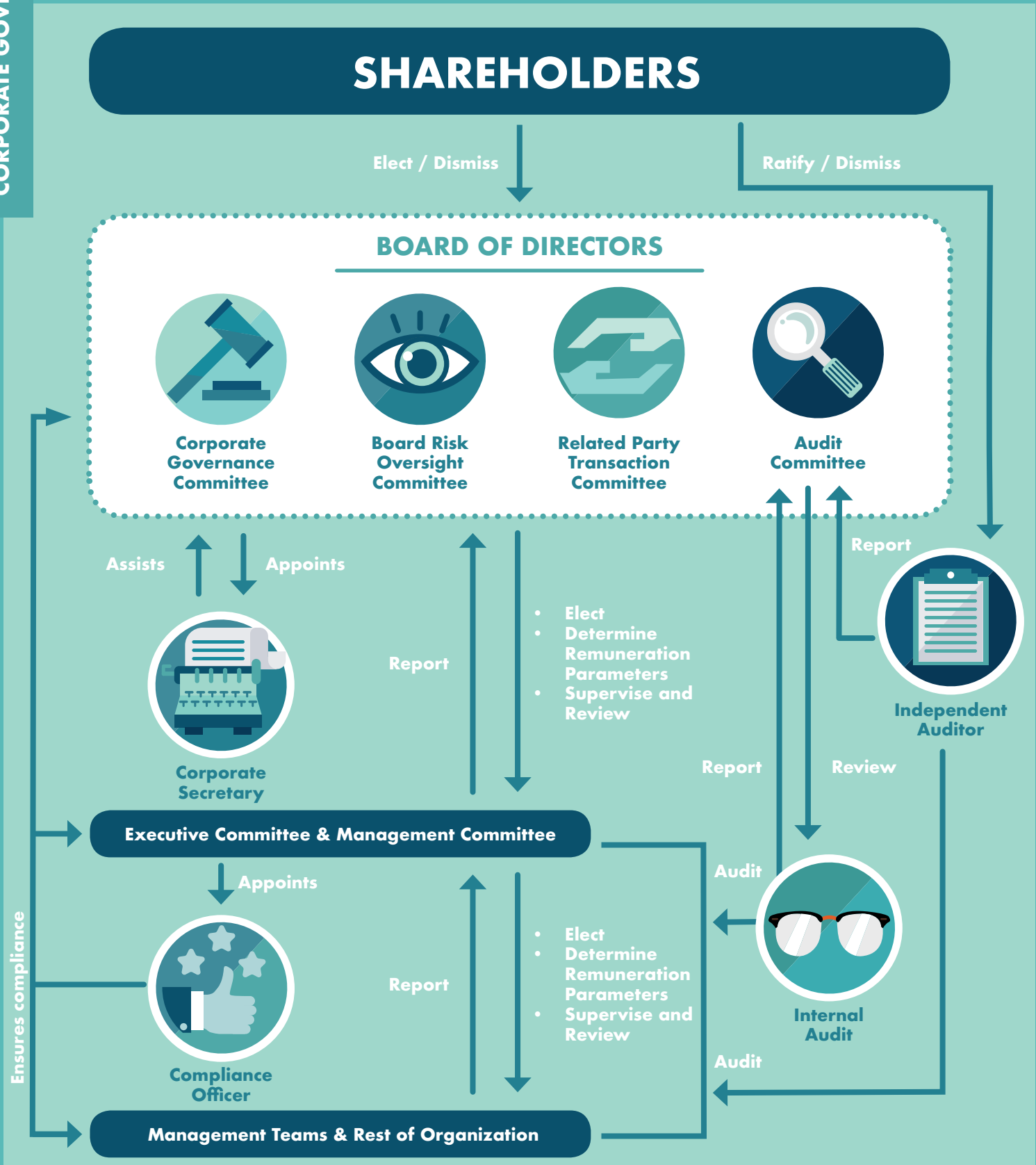


Internal Audit

Audit

Management Teams & Rest of Organization

Ensures compliance



Shareholders

Shareholders are encouraged to actively participate by exercising their rights. Such rights include the following among others:

1

Participating and voting during stockholders' meetings

2

Exercising the appraisal right on instances stated in Section 81 of the Corporation Code

3

Voting and being voted as director or officer of the Company

4

Inspecting records of all the Company's business transactions and minutes of any meeting

5

Receiving dividends declared by the Board of Directors

6

Sharing in the distribution of the Company's remaining assets after its dissolution and liquidation

Shareholder rights can be found in the Company's By-Laws and Manual on Corporate Governance available in the CNPF website.

Board of Directors

The Board of Directors (the Board) is to act in the best interest of the Company and all its shareholders.

The following are some of the roles and responsibilities of the Board. Further details regarding the Board may be found in the Board Charter available on the Company website.

To the Company



Approve the selection and assess the performance of Senior Management and other control functions



Attend and actively participate in all meetings of the Board and its respective committees



Ensure an effective performance management framework is in place to certify Management and personnel performance are at par with set standards



Oversee the development of and approve business objectives and strategies and monitor their implementation



Supervise the proper implementation of and compliance to the Code of Business Conduct and Ethics, including standards for professional and ethical behavior for internal and external dealings



Assure the Company has an appropriate internal control system, including a mechanism for managing potential conflicts of interest of the Board, Management, and shareholders



Make certain there is a sound enterprise risk management framework for key business risks

To Shareholders



Encourage active shareholder participation and minimize costs and administrative impediments to said participation



Be transparent about and fairly promote shareholder rights, and provide processes and procedures for them to follow



Attend and actively participate in all shareholders' meetings



Have a formal and transparent board nomination and election policy



Establish corporate disclosure policies and procedures to ensure the comprehensive, accurate, reliable, and timely report of relevant and material information, including non-financial information

COMPOSITION OF THE BOARD OF DIRECTORS

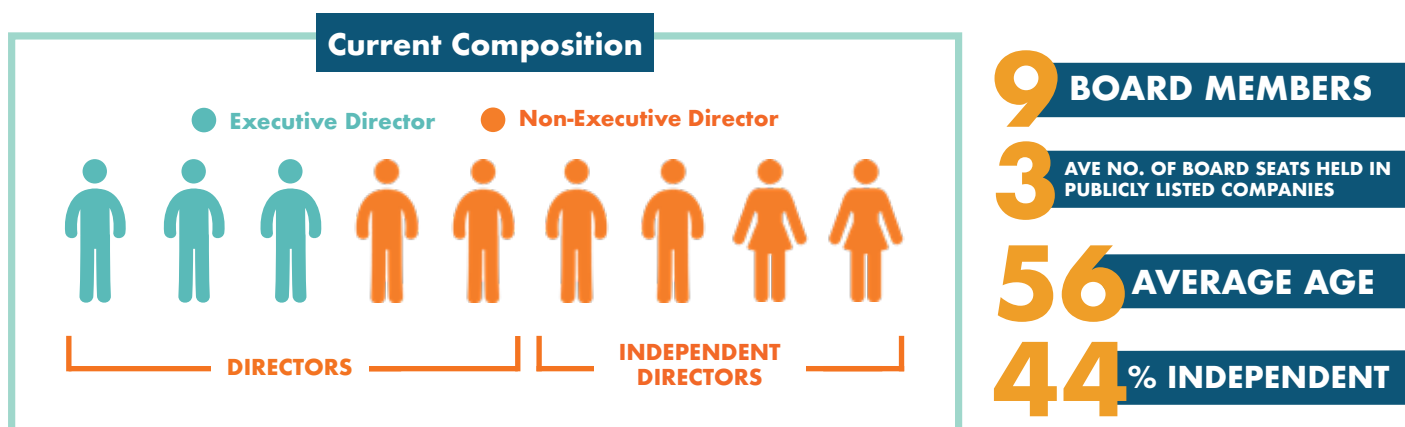
The Board of Directors is to have a collective working expertise that is relevant to the Company's industry or sector.

Majority of the Board should consist of non-executive directors in order to secure objective, independent judgment on corporate affairs and to substantiate proper checks and balances.

Additionally, at least three or one-third of the Board, whichever is higher, must be independent directors.

This ensures that no director or group of directors can dominate the decision making process, protecting the Company's interest over the interest of individual shareholders.

A lead independent director is designated should the Chairman of the Board not be independent and is authorized to lead the Board in cases where management has clear conflicts of interest.



QUALIFICATIONS

The Board ensures that it has an appropriate mix of competence and expertise. Its members should also remain qualified for their positions individually and collectively in order to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.

The qualifications of directors, among others, include:

- College education or equivalent academic degree
- Practical understanding of the business of the Company
- Good standing in the relevant industry, business, or professional organization
- Relevant previous business experience

In addition to the above, non-executive directors can only concurrently serve as directors in a maximum of five publicly listed companies to ensure he or she can allot sufficient time for Company matters.

TRAINING

The Company has set guidelines and procedures concerning the orientation program for first time directors.

Its directors attended corporate governance seminars conducted by the Institute of Corporate Directors (ICD) in August 2018.

SUCCESSION PLAN

The Board ensures that an effective succession planning program for directors and key officers are in place. This is to help secure the continuous growth of the Company.

COMMITTEES OF THE BOARD OF DIRECTORS

102-22

The Board Committees are to support the effective performance of the Board's functions. Their purpose, memberships, structures, and responsibilities are further discussed in the Committee Charters available on the Company website.

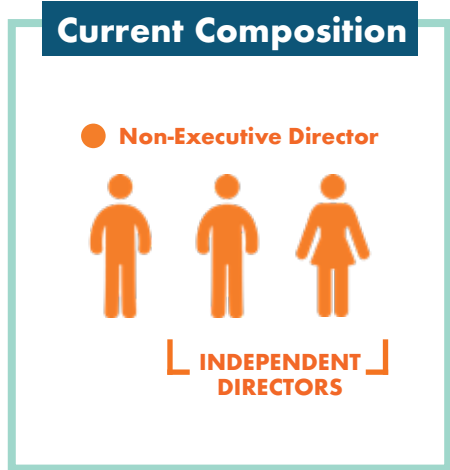
1 Audit Committee

The Audit Committee is tasked to oversee Senior Management in maintaining an effective internal control framework which is able to provide assurance in areas including reporting, monitoring compliance with laws, regulations, and internal policies, and the efficiency and effectiveness of operations.

It ensures that both internal and independent auditors are to have unrestricted access to all records, properties, and personnel to enable them to perform their audit functions independently from one another.

It is composed of at least three non-executive directors, majority of whom, including the Chairman (who should not be Chairman of the Board or of any other committee), should be independent. All must be experienced in the areas of accounting, auditing, and finance.

The Audit Committee meets with the Board at least every quarter without the presence of the Chief Executive Officer or any other member of the management team.



Internal Audit

The Audit Committee has an independent Internal Audit function that provides objective assurance and consulting services, monitoring and guiding the implementation of company policies and bringing a systematic approach to evaluating and improving the effectiveness of the Company's governance, risk management, and control functions.

The Committee oversees Internal Audit, recommending the approval of the Internal Audit Charter which contains the function's responsibilities and plans.

It ensures the independence of the Internal Auditor and reviews

and monitors Management's responsiveness to Internal Audit.

Additionally, the Audit Committee periodically meets with the Chief Audit Executive, whose appointment is recommended by the Committee.

Samuel V. Santillan was appointed as the Company's Chief Audit Executive and has 24 years of experience in auditing, finance, and accounting management roles in various companies prior to joining CNPF in 2008.

Internal Audit is to render an annual report on its responsibilities, activities, and performance relative to the audit plans and strategies

approved by the Audit Committee.

It is also to provide a statement declaring whether it is compliant with the International Standards for the Professional Practice of Internal Auditing.

Internal Audit assists the Audit Committee to ensure

- Reliability and integrity of financial and operating information
- Compliance with policies, plans, procedures, laws, and regulations
- Safeguard of assets
- Resources are economically and efficiently used
- Results of operations and programs are consistent with established objectives, goals, and plans

External Audit

The Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the independent auditor. It should be alerted for any situation that may potentially rise due to conflicts of interest which could impair the independent auditor's objectivity.

Navarro Amper & Co. was re-appointed as the Company's

independent auditor for 2018 during the Annual Stockholders' Meeting last July 3, 2018, with Bonifacio F. Lumacang, Jr. as the engagement partner. It is to assess the Company's audited financial statements and provide its judgment on the compliance of said statements with the Philippine Financial Reporting Standards.

The Audit Committee met with the Independent Auditor in 2018 without the presence of anyone from the Management team.

In 2018, Navarro Amper & Co was paid PHP4.10 million for their audit services. Navarro Amper & Co is the local practice of the Deloitte Touche Tohmatsu Limited Global Network.

2 Board Risk Oversight Committee

The Board Risk Oversight Committee is to oversee the Company's enterprise risk management system to ensure its functionality and effectiveness. Its responsibility is to supervise Management's activities in managing credit, market liquidity, and operational, legal, and other risk exposures.

It comprises of at least three members, of whom majority are independent,

including the Chairman (who should not be Chairman of the Board or of any other committee). At least one member should be knowledgeable in risk and risk management.

The Committee should always have clear communication with the Chief Risk Officer. Oscar A. Pobre, the Company's Chief Finance Officer, was appointed as Chief Risk Officer.

Current Composition

● Non-Executive Director



┌ INDEPENDENT DIRECTORS ┐

3 Corporate Governance Committee

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The Corporate Governance Committee is responsible for ensuring the Company's compliance with corporate governance principles and practices. It periodically reviews the Company's corporate governance framework to ensure it remains appropriate given material changes in the corporation's size, complexity, strategy, and business and regulatory environments.

The Committee is also to function as a Nomination and Remuneration Committee, determining the nomination and election process and establishing a formal and transparent procedure in developing a policy for determining remuneration.

It composes of at least three members, all of whom should be independent, including the Chairman.

Current Composition

● Non-Executive Director



┌ INDEPENDENT DIRECTORS ┐

4 Related Party Transaction Committee

The Related Party Transactions Committee is tasked to review all material related party transactions of the Company. It also informs regulating and supervising authorities relating to the Company's related party transaction exposures and ensure appropriate

disclosures are accomplished.

The Committee is comprised of at least three non-executive directors, two of whom should be independent, including the Chairman.

Current Composition

● Non-Executive Director



┌ INDEPENDENT DIRECTORS ┐

Corporate Secretary

The Corporate Secretary is to keep abreast of relevant laws, regulations, governance issuances, industry developments, and operations of the Company and advise the Board on all relevant issues as they arise.

Atty. Manuel Z. Gonzales was appointed as the Company's Corporate Secretary. He has been a Senior Partner in the Martinez Vergara Gonzalez & Serrano Law Office since 2006. Atty. Gonzales attended an eight-hour corporate governance seminar conducted by the ICD on March 7, 2018.

Atty. Gwyneth S. Ong was appointed as the Company's Assistant Corporate Secretary. She has been a Partner at the Martinez Vergara Gonzalez & Serrano Law Office since 2015, having extensive experience in a broad range of securities and capital market transactions.

Compliance Officer

The Compliance Officer is responsible for determining and measuring the Company's adherence with its Manual on Corporate Governance, relevant laws, the Code of Corporate Governance for publicly listed companies, SEC rules and regulations, and all governance issuances of regulatory agencies.

Atty. Maria Rosario L. Ybañez was appointed as the Company's Compliance Officer on May 23, 2018, and has been involved in the practice of corporate, civil, criminal, labor, and intellectual property law since 2001. She attended her training on corporate governance conducted by the ICD in August 2018.

Executive Team

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The Executive Team, along with the rest of the Management team, answers to the Board of Directors and is responsible for the operations and performance of the Company. It concretizes the Company's objectives and targets by executing its strategies and attaining set targets. The Team is spearheaded by the Chief Executive Officer (CEO).

The positions of CEO and Chairman of the Board are held by separate individuals. Their roles in the organization are distinguished below:

Chief Executive Officer

- Supervise, monitor, and control operational activities and performance
- Oversee operational alignment and operating structures
- Determine the Company's strategic direction and implement its short- and long-term strategic plans
- Oversee operations and all day-to-day management decisions of the Company
- Manage the Company's resources prudently

Executive Chairman

- Maintain qualitative and timely lines of communication and information between the Board and Management
- Preside Board meetings and ensure its focus on strategic matters such as the Company's overall risk appetite, key governance concerns, and contentious issues that will significantly affect operations
- Chair weekly Executive Committee meetings, with the option to join Management Committee meetings
- Focus on strategic development of newer business units, new growth initiatives, and special projects
- Serve as the link between internal and external stakeholders and provide stockholders with a balanced and comprehensible assessment of the Company's performance, position, and prospects

Rest of the Organization

The rest of the organization completes the Company and supports its strategies in order to achieve its ever-growing targets. With competent professionals who embody the core values, CNPF is able to fulfill its purpose of nourishing and delighting everyone, everyday, everywhere. As such, attracting, developing, and retaining talent across the organization is of key importance.

The Company maintains strict policies on Health & Safety in all business lines, Anti-Sexual Harassment, Anti-Tuberculosis, Drug Free Workplace, and Executive Medical Check-Ups.

Moreover, we have policies on annual merit increases and salary adjustments that are tied up to the employees' performance assessments. CNPF proudly promotes a culture of recognition and value for key and high-performing employees who demonstrate excellence at the workplace. Performance is the main driver for total rewards. Rewards programs are therefore differentiated across businesses and among employees according to their contributions and levels of performance, with a significant share given to those that are high-performing.



CODE OF BUSINESS CONDUCT AND ETHICS

102-17

The Company's policies on the following business conduct and ethics affecting the directors, senior management, and employees are discussed below:

COMPLIANCE WITH LAWS

All employees, in the conduct of business, are obliged to comply with all relevant laws and regulations.

CORRUPTION, EXTORTION, AND BRIBERY

205-2

The company prohibits all forms of corruption, extortion and bribery such as borrowing or receiving money, commissions, offer of promises or soliciting material favours from supplier or customers/clients with which the company has business relationships for his/her own personal benefit.

CONFLICTS OF INTEREST

102-25

The Company respects the rights of its employees to manage their affairs and investments and does not wish to impinge upon their personal lives. At the same time, employees should avoid situations that present a potential conflict between their interests and interests of the company. Also, any activities that create even just the appearance of a conflict of interest should be avoided.

NO GIFT POLICY

All employees are not allowed to solicit or receive gifts from suppliers, clients/ customers, service providers, business partners, and other similar entities for whatever purpose.

Specifically, gifts sent by parties above or received from these parties must be reported to the immediate superior and forwarded to Human Resource Department for action.

INSIDER TRADING

The Company's Insider Trading Policy states that all managers and up are strictly prohibited from buying or selling CNPF shares for five trading days prior to the release of and up to three trading after the disclosure of reports containing material information.

Notices of said trading blackouts are issued to covered persons by email.

USE OF NON-PUBLIC INFORMATION

All employees upon joining the company are required to sign and adhere to a confidentiality agreement.

All information about the company should be obtained legitimately and will be used only for legitimate purposes in compliance with internal policies and relevant anti-trust laws and regulations.

REPORTING OF PERSONAL TRANSACTIONS

All controlling shareholders, directors, and executive officers, must report any of their dealings in the company's shares, as well as any changes in their beneficial shareholdings in the company to the Compliance Officer.

Said persons are required to report these transactions within three business days from transaction date, after which the Compliance Officer will promptly disclose, according to relevant rules and regulations, the buy or sell details to the Philippine Stock Exchange and Securities Exchange Commission.

USE OF COMPANY ASSETS

The Company as a matter of policy entrusts company assets to employees because of the nature of their job. For this reason, it shall be the duty of the employee to act as responsible custodians, to exercise due care and diligence, and to comply with recording/documentary requirements of the assets.

CONFLICT RESOLUTION

The Company provides a work environment that is conducive to friendly resolution of disagreement. Superiors are responsible for promoting amicable settlement of conflicts amongst members of their team with the support of Human Resources.

DISCIPLINARY ACTION

Disciplinary actions are meted only after due process. The Company has a Code of Conduct that serves as a guide for the employees' behavior.

WHISTLE BLOWER POLICY

The whistleblower policy provides an avenue for employees to report misconduct of fellow employees, including their superiors, while protecting the employee's identity and welfare. Good faith reporters are encouraged and empowered to report their concerns, and are protected from adverse consequences, victimization, harassment, or inappropriate disciplinary action as a result of any disclosure.

The whistleblower may submit in writing directly to the Head of Corporate HR, or via email to cpgethics@centurypacific.com.ph

FAIR TRADE 206-1

Business is dictated by free competition with price dictated by supply and demand. Employees are required to comply with fair trade practices.

PRODUCT QUALITY AND RESPONSIBLE INNOVATION

Products and services are delivered to meet the specifications, quality and safety criteria specified in the relevant contract documents and are safe for their intended use. Research and Development are conducted responsibly and are based on good clinical practice and generally accepted scientific, technological and ethical principles.

DATA PRIVACY

The company has appointed Charles David P. Ramos as its Data Privacy Officer to address corporate compliance with the Data Privacy Act of 2012, its Implementing Rules and Regulations, and other relevant policies, including issuances of the National Privacy Commission.

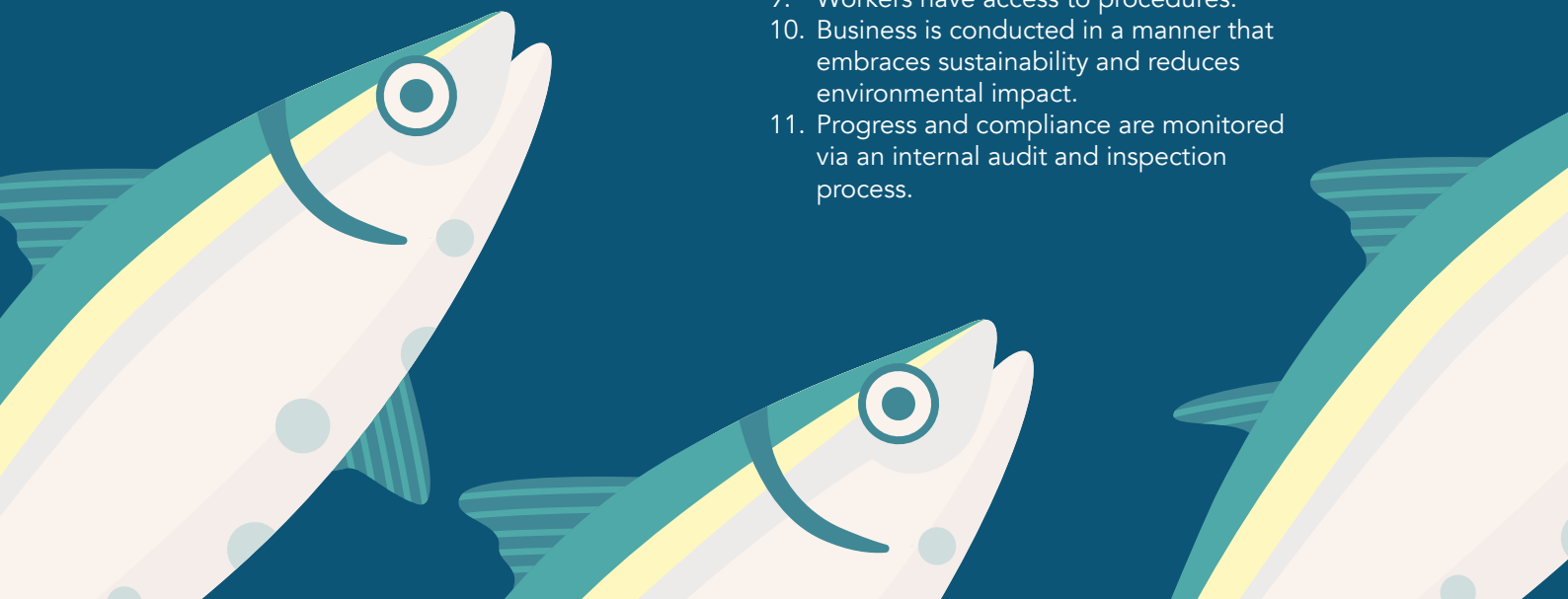
The company has also codified the privacy and data protection protocols that need to be observed and carried out, primarily by all department heads who are fully accountable in ensuring that their units' private information as defined are processed in a secure manner.

EMPLOYMENT & LABOR LAWS & POLICIES

The company is committed to upholding the rule of law and respect for the rights of labor.

Our fundamental employment principles are based on Philippine regulations and include the following:

1. Business is conducted lawfully and with integrity.
2. Work is conducted on the basis of freely agreed and documented terms of employment with legal compliance.
3. All workers are treated with respect and dignity.
4. Work is conducted on a voluntary basis with no forced or compulsory labor.
5. All workers are of an appropriate age.
6. All workers are paid fair remuneration.
7. Working hours for all workers are reasonable.
8. Our company ensures a healthy and safe working environment, assessing risk and taking all necessary measures to eliminate or reduce it to protect the workers at work. Safety is our main priority.
9. Workers have access to procedures.
10. Business is conducted in a manner that embraces sustainability and reduces environmental impact.
11. Progress and compliance are monitored via an internal audit and inspection process.



RISK

MANAGEMENT

102-15

102-30

205-1

Here we identify the Company's key risk exposures, their potential impact, as well as some of the current processes and procedures that help mitigate them. The risks outlined below are not exhaustive and instead identify only those that are high impact and high probability to the Company.

Moreover, the Company regularly reviews this list and is in the process of refining the way it identifies, understands, quantifies, and manages the effect of risk throughout the organization.

RISKS IN FLUCTUATIONS IN PRICES OF KEY RAW MATERIALS AND OTHER INPUT OR OPERATING COSTS

Potential Impact

- Lower profitability metrics
- Volatility in earnings performance

Mitigation

- Active study and monitoring of raw material availability, prices, and trends
- Maintaining a wide network of suppliers
- Maximizing scale in order in order to negotiate costs
- Developing new ingredient substitutes
- Investing in brand name and reputation in order to pass on costs
- Product diversification targeting different price points and serving different consumer segments

RISKS IN ACTUAL OR ALLEGED CONTAMINATION; SAFETY CONCERNS

Potential Impact

- Weakened brand and reputation
- Loss of revenue streams

Mitigation

- Continuous investment in quality control systems and procedures
- Strong quality conscious culture and organization that spans the entire supply chain
- Regular audits that ensure compliance with internationally recognized systems of food safety and contamination prevention

RISKS IN LIMITED NEW PRODUCTS AND PRODUCT EXTENSIONS, OR NEW PRODUCTS FAIL TO MEET CONSUMER PREFERENCES

Potential Impact

- Disrupted sales growth
- Decreased brand relevance

Mitigation

- A focused research and development capability per category
- Diligent procurement of consumer insights through focus groups and quantitative as well as qualitative studies
- Establishing an active inorganic opportunities program to widen scope for potential new products and brands

RISKS IN NEW ENTRANTS OR INCREASED COMPETITION IN VARIOUS FOOD CATEGORIES

Potential Impact

- Loss of market share
- Loss of revenue streams

Mitigation

- Regular engagement with customers and market intelligence exercises
- Investing in brand name and reputation
- Strict management of cost at all levels to ensure products' cost competitiveness

RISKS IN NATURAL OR MAN-MADE DISASTERS THAT MAY CAUSE FAILURE OF NORMAL OPERATIONS

Potential Impact

- Loss of revenue streams
- Damage to assets

Mitigation

- Ensuring insurable assets are adequately covered at the right valuation
- Risk management review and disaster training, especially at the plant and operating levels
- Establish a network of potential toll manufacturers

RISKS IN VOLATILITY IN MACROECONOMIC AND POLITICAL FACTORS SUCH AS FOREIGN EXCHANGE, INTEREST RATES, AVAILABILITY OF FUNDING, RULE OF LAW, AMONG OTHERS

Potential Impact

- Lower profitability metrics
- Difficulty to fund expansion
- Higher cost of doing business

Mitigation

- Limiting gearing ratios and ensuring healthy liquidity and cash generation
- Optimizing currency and geographic sales mix to minimize foreign exchange exposure
- Selectively engaging in hedging as approved by the Board
- Regular review of funding mix by currency, tenor, and manner of pricing (fixed/floating)
- Actively engaging key stakeholders and keeping current in all applicable laws and regulation

RISKS IN TRADEMARK INFRINGEMENT OR FAILURE TO PROTECT PROPRIETARY RIGHTS

Potential Impact

- Lost opportunities
- Higher legal costs

Mitigation

- Regular upkeep of registration to keep current in all applicable jurisdictions
- Active prosecution of any cases of trademark infringement

RISKS IN DIFFERING INTERESTS OF MAJORITY SHAREHOLDERS FROM THAT OF OTHER MINORITY SHAREHOLDERS

Potential Impact

- Eroded public confidence and higher cost of capital
- Difficulty in maximizing value for shareholders

Mitigation

- Regular meetings of Related Party Transaction (RPT) committee to review RPTs at the board level
- System to ensure all RPTs are covered by individual agreements that ensure they are arms-length
- Regular disclosures and engagement with minority shareholders

RISKS IN CREDIT RISK OF CUSTOMERS, AND DELAYS OR DEFAULTS IN PAYMENT

Potential Impact

- Loss of cash
- Destabilized liquidity position

Mitigation

- Systematic credit investigation of its customers
- Security or collateral requirements in the form of bank guarantees and letters of credit from certain customers
- Monitor and manage liquidity ratios
- Ensure availability of sufficient working capital credit lines

RISKS IN GENERAL DECLINE IN CONSUMER CONFIDENCE

Potential Impact

- Lost opportunities
- Loss of revenue streams

Mitigation

- Maintaining a broad product portfolio that caters to both the "premiumizing" consumer, as well as the cost and value conscious
- Continuously leveraging scale to bring down costs and create more affordable products
- Investing in "must have" brands
- Maintaining a balanced domestic and export business which diversifies exposure to various consumer markets globally

RISKS IN LABOR UNREST AND SLOWDOWNS

Potential Impact

- Higher cost of doing business
- Higher employee attrition rate

Mitigation

- Establishing a healthy and safe working environment, where work is conducted voluntarily on the basis of freely agreed and documented terms
- Providing fair remuneration and reasonable working hours
- Engaging employees and ensuring they have access to procedures

RISKS IN DEPENDENCE ON KEY EXECUTIVES

Potential Impact

- Delayed or ineffective operational execution
- Medium to long term business objectives at risk

Mitigation

- Active process of succession planning at all levels
- Regular benchmarking of compensation
- Investing in corporate brand in order to become a destination for top

RISKS IN CHANGE IN CONSUMERS' MEDIA HABITS

Potential Impact

- Ineffective marketing campaigns
- Decreased brand relevance

Mitigation

- Ensuring innovation, particularly in marketing and communication methods
- Including a digital component in marketing campaigns
- Exploring and building on e-commerce as a potential sales channel

INVESTOR RELATIONS PROGRAM

Maintaining open communications and credibility with various stakeholders is a priority of Century Pacific Food, Inc. (CNPF).

Why We Engage

The primary objectives of CNPF's Investor Relations (IR) team are:

- to build a full and fair valuation of the security's price in order to reduce cost of capital and create value for shareholders
- to ensure the Company's continued access to capital markets in order to provide the necessary support for long-term growth

How We Engage

The IR team meets its objectives through various activities that revolve around:

- facilitating effective two-way communication between the Company and the financial community
- building confidence in the Company's strategic plans and gaining trust in the management team's ability to execute them

The IR team is the financial market's main point of contact.

It provides the appropriate information to investors and analysts in a manner that is timely and easy to understand. Said communication program is meant to be clear and consistent, focusing on the key metrics that drive business performance. It facilitates as well all required disclosures to the regulatory authorities, primarily the Philippine Stock Exchange and the Securities and Exchange Commission.

As a trusted source of information, it prides itself in freeing up C-suite time, allowing them greater flexibility to focus on operating and building the business.

The primary subject of IR communication is the Company's ability to create shareholder value.

It focuses primarily on conveying management's long-term vision and the many interim key milestones necessary to achieve these goals.

Through this exercise, it hopes to build the trust and confidence of long-term shareholders whose objectives most closely align with that of the Company's.

Analysts and investors are also valuable sources of feedback on both the IR program and broader corporate strategy.

The IR team actively engages third parties to comment on the quality of its work and for their views and expectations of the Company.

Building these productive relationships with financial market participants provide valuable insights that may help support the Company's fundamentals. It uses this information flow as an opportunity to obtain new ideas and identify global practices, analyzing them then sharing these with the management team when appropriate.

CNPF IR

CONTACT INFORMATION

Giovanna M. Vera

Head of Investor Relations

investorrelations@centurypacific.com.ph

102-53

2018 HIGHLIGHTS

8 TOTAL INVESTOR SITE VISITS



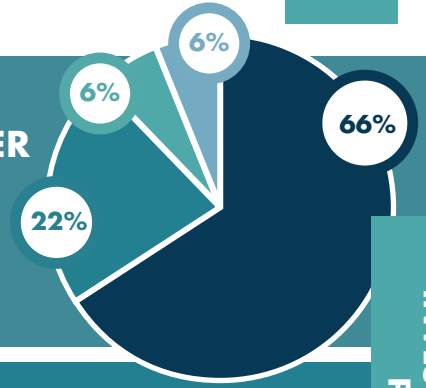
WELCOMING ANNUAL GENERAL MEETING



CORPORATE WEBSITE

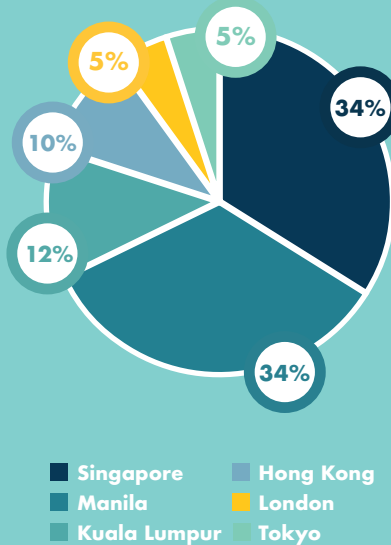
232 TOTAL NUMBER OF INVESTOR MEETINGS

Investor Conference Company Visit
Call Non-deal Road Show



14 AVERAGE NUMBER OF MEETINGS PER CONFERENCE

Regional Breakdown of Attended Conferences



CONFERENCE CALLS ON QUARTERLY FINANCIAL RESULTS

May 9
First Quarter 2018 Earnings Call

Aug 1
First Half 2018 Earnings Call

Nov 7
First Nine Months 2018 Earnings Call

INVESTOR RELATIONS PROGRAM

GLOSSY ANNUAL REPORT



ATTAINMENT OF SELL-SIDE COVERAGE FROM BROKERAGES

INSTITUTION	ANALYST
BDO Nomura	Angelo Torres
BPI Jefferies	Javier Consunji
CLSA	Joyce Ramos
COL Financial	Andy Dela Cruz
Credit Suisse	Hazel Tanedo
Deutsche Bank	Carissa Mangubat
First Metro Sec DBS	Mark Angeles
Macquarie	Karisa Magpayo
RCBC	Fiorenzo De Jesus
Regina Capital	Paola Lopez

7 PRESS RELEASES



STOCK HIGHLIGHTS

102-5

102-45

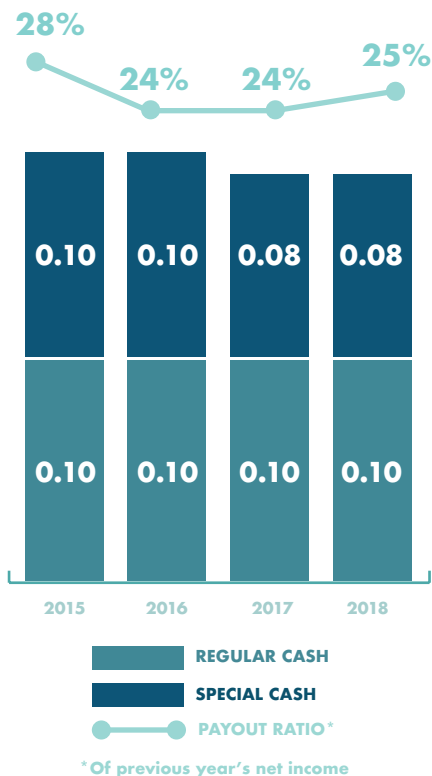
Stock Exchange

Century Pacific Food, Inc. is listed on the Philippine Stock Exchange (PSE) with the ticker symbol "CNPF." The stock has no foreign ownership limit and a minimum board lot of 100 shares. Its Initial Public Offering (IPO) was held on May 6, 2014.

Indices

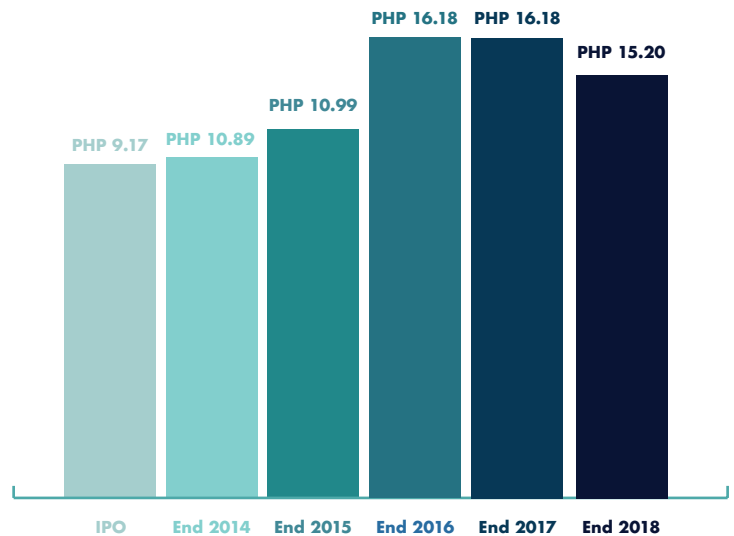
FTSE Small Cap - Asia Pacific
FTSE All Cap - Asia Pacific

Dividend History

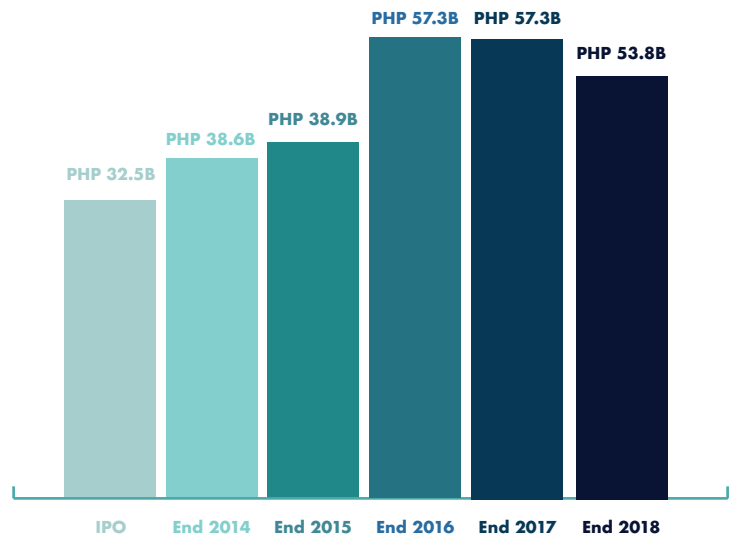


Stock Performance

Stock Price



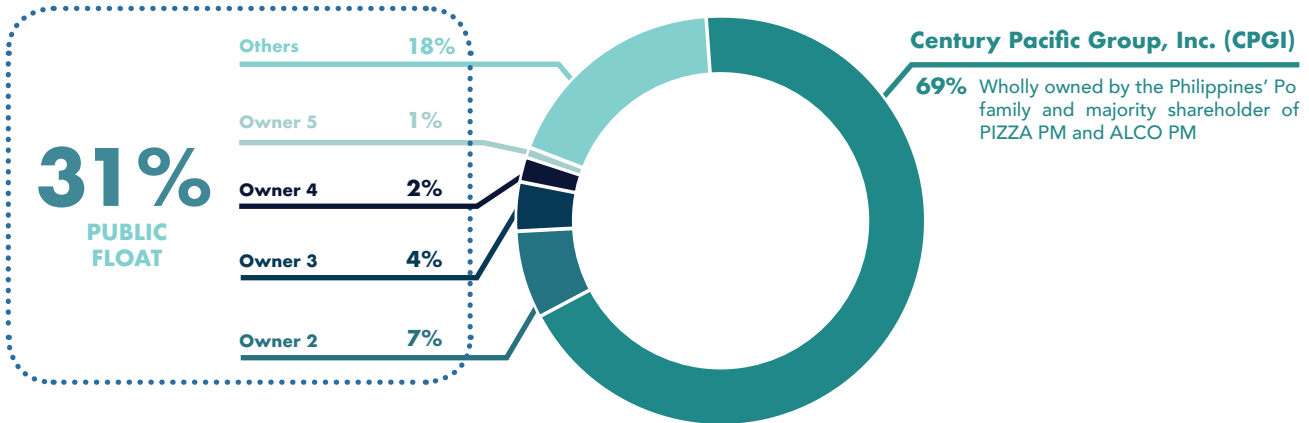
Market Capitalization



-6.1%
Growth
Year-on-Year

+65.8%
Increase
since IPO

Shareholders



STOCK HIGHLIGHTS

Annual Stockholders' Meeting

Our Annual Stockholders' Meeting is held every June 30th.



Other Stock Issuances

We have issued **4,056,100** common shares following our Employee Stock Purchase Plan (ESPP).

There were no new shares issued in 2019.

A total of **8,269,245** are available for subscription under the ESPP, leaving **4,213,145** shares still unissued.

Information Disclosures

CNPF files and discloses information in compliance with the requisites put forward by the Philippine Securities and Exchange Commission and the PSE.

Such information are immediately made public via the Company's corporate website and its official PSE online portal page as follows:

- www.centurypacific.com.ph/
- http://edge.pse.com.ph/companyInformation/form.do?cmpy_id=652

Share Capital

CNPF's authorized capital as of end 2018 was PHP6 billion composed of 6 billion common shares with a PHP1.00 par value. As of the same period, there were **3,542,258,595** listed, issued, and outstanding shares.

The market capitalization of the Company's common shares as of end of 2018, based on the closing price of **PHP 15.20** per share, was **PHP53,842,330,644.00**.

AWARD HIGHLIGHTS

AWARD HIGHLIGHTS



Century Tuna and Argentina
Reader's Digest Trusted Brands
2011



Marketing Company of the Year
Agora Awards
2011



Century Tuna and Argentina
Reader's Digest Trusted Brands
2012



Century Tuna and Argentina
Reader's Digest Trusted Brands
2013



Initial Public Offering Best Deal in the Philippines
Asset Publishing & Research Ltd.
2014



Gregory Banzon Marketing Excellence
Agora Awards
2014



Century Tuna and Argentina
Reader's Digest Trusted Brands
2015



Century Tuna and Argentina
Reader's Digest Trusted Brands
2016



Philippines' Best Managed Small Cap Company
Asia Money
2016



Asia's Marketing Company of the Year
Asia Marketing Federation
2016



Philippines' Best Mid Cap Company
Finance Asia
2017



Gregory Banzon Communication Excellence
CEO Excel Awards
2017



Small Cap & All Cap Indices Asia Pacific
FTSE
2017



Philippines' Best Mid Cap Company
Finance Asia
2018



Philippines' Third Best at Investor Relations
Finance Asia
2018



Philippines' Third Best Investor Relations Professional
Institutional Investor
2018



Outstanding Achievement in Export Marketing
Agora Awards
2018



Family Business Award Country Winner & ASEAN Winner
ASEAN Business Awards
2018



1000 High-Growth Companies Asia Pacific
Financial Times
2018



Best in Sector Consumer Staples Finalist
IR Magazine Awards
South East Asia
2018



Certificate for Excellence in Investor Relations
IR Magazine Awards
South East Asia
2018



Asian Export Awardee Processed Food Large Corporate Category
The Asian Export Awards
2018



Asia's Best CEO (Investor Relations), Philippines' Best Investor Relations Company and Professional
Corporate Governance Asia
2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

Consolidated Statements of Financial Position

The Company's total assets increased to PHP30.34 billion as of December 31, 2018, compared to PHP23.36 billion at the end of 2017. Net property, plant, and equipment registered at PHP5.46 billion. Capital expenditures totaled to PHP1.31 billion, consisting mainly of new equipment and additional plant capacity at the different manufacturing facilities of the Company.

Total equity grew from PHP14.48 billion at the end of December 2017 to PHP16.72 billion, coming primarily from the Company's generated net income during the year. Book value per share (BVPS) increased by 15% to PHP4.72 compared to PHP4.09 as of end 2017.

Total liabilities also increased to PHP13.61 billion from PHP8.88 billion, mainly driven by the increase in interest-bearing debt to PHP6.31 billion. The increase was used to support working capital to take strategic inventory positions. All of the Company's debt is denominated in Philippine pesos.

Nevertheless, the Company retained its strong and healthy balance sheet with current ratio at 2.03x and debt-to-equity ratio at 0.81x. Total debt-to-equity net of cash and interest-bearing debt over equity were likewise stable at 0.71x and 0.38x respectively.

Consolidated Statements of Comprehensive Income

Consolidated net revenue grew 15% versus the same period the previous year, amounting to PHP37.89 billion. This likewise brings the Company's four-year compounded annual growth rate to 17% since 2014.

Robust revenue performance can be attributed to the double-digit sales increase in the Company's branded business, supported by sustained demand for its affordable, convenient, and healthy products. Despite the competitive environment, CNPF's brands have maintained market leadership in its core segments while continuing to gain traction in emerging product categories. Meanwhile, revenues from the OEM units saw a more tempered increase of 4% year-on-year with the normalizing of pass-on prices in tuna and coconut.

The Company's cost of sales consists primarily of raw material and packaging costs, manufacturing costs, and direct labor

costs. For the full-year ending December 31, 2018, cost of sales grew by 14%, leading to a 17% increase in gross profit.

The slight expansion in gross margins, despite the Philippines' inflationary environment, is thanks primarily to a diversified operation where softer input prices in certain parts of the portfolio offset pressures coming from other raw materials and packaging costs.

The Company's total operating expense, which is comprised of selling, distribution, marketing, and administrative expenses, reached P4.72 billion for the full-year ending December 31, 2018. This represents a 12.5% cost-to-sales ratio, increasing versus 11.8% during the same period last year.

CNPF's consolidated operating income for the twelve months ending 2018 amounted to PHP3.80 billion, producing a 10.0% operating income-to-sales ratio. All in all, CNPF's consolidated net income after tax totaled PHP2.83 billion for the full year ending December 31, 2018. This is 11% higher than the reported net income after tax of PHP2.55 billion in 2017. This is primarily driven by the strong growth in branded sales and maintained margin year-on-year in spite of the local inflationary environment.

Despite these challenges, the Company has nonetheless achieved a four-year compounded annual net income growth rate of 16% since 2014 - above its target sustainable growth of 10 to 15%. CNPF's overall resilience during this period is attributable to robust sales, diversified operations, and a management team that is committed to delivering long-term earnings growth.

Consolidated Statements of Cash Flows

Cash as of end 2018 stood at PHP1.68 billion. Operating activities registered a PHP418 million total outflow. Net cash used in investing activities amounted to PHP1.23 billion, while net cash generated by financing activities amounted to PHP1.78 billion.

The cash conversion cycle stretched to 125 days from 87 in the previous year, owing mainly to a higher inventory level. As of end 2018, accounts receivable, inventory, and payable days stood at 68, 143, and 86 respectively. As a result, working capital increased to PHP11.73 billion from PHP7.29 billion during the previous year.



CENTURY PACIFIC FOOD, INC.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of Century Pacific Food, Inc. and Subsidiaries (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, as at December 31, 2018 and 2017 and for the years ended December 31, 2018, 2017 and 2016, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements including the schedules attached therein, and submits the same to the stockholders.

Navarro Amper & Co., the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Christopher T. Po
Chairman of the Board

Teodoro Alexander T. Po
President/Chief Executive Officer

Oscar A. Pobre
Chief Financial Officer

Signed this 12th day of April 2019.

NavarroAmper&Co.

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www.deloitte.com/ph

BOA/PRC Reg. No. 0004
SEC Accreditation No. 0001-FR-4

INDEPENDENT AUDITORS' REPORT

To the Stockholders and the Board of Directors
CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES
(A Subsidiary of Century Pacific Group, Inc.)
7TH Floor, Centerpoint Building, Julia Vargas St., Ortigas Center
Pasig City, Metro Manila

Opinion

We have audited the consolidated financial statements of Century Pacific Food, Inc. and Subsidiaries (the "Group") which comprise the consolidated statements of financial position as at December 31, 2018 and 2017, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years ended December 31, 2018, 2017 and 2016, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2018 and 2017, and of its financial performance, and cash flows for the years ended December 31, 2018, 2017 and 2016, in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippines Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matter:

Key Audit Matter **Goodwill Impairment**

Goodwill has been recognized in the consolidated statements of financial position resulting from acquisitions of the Group. Under PFRS 3 and PAS 36, the Group is required to annually test the goodwill for impairment. This annual impairment test was significant to our audit because the aggregate balance of goodwill amounting to P2.92 billion is material to the consolidated financial statements and represents 9.6% of the consolidated total assets of the Group as at December 31, 2018.

Management conducts annual impairment test to assess the recoverability of the carrying values of goodwill. This annual impairment test involves a number of key sensitive judgments and estimates made in determining the inputs used in the assessment process.

The carrying values of goodwill as at December 31, 2018 are disclosed in the consolidated financial statements.

Our audit performed and responses thereon

Our audit procedures were focused on performing a detailed understanding of the Management's assessment process and challenging the key sensitive judgments and estimates applied as follows:

- We reviewed the Group's position on the impairment of goodwill, including information about the Group's project plan, current year developments, current risk evaluations business outlook, revenue potential and market penetration assessment of the subsidiaries to which the goodwill relates to; and
- We assessed and challenged the reasonableness of the projected revenue and profit in the next five to ten years and the present value of future cash flows, including the assumptions used in estimating the weighted average cost of capital (WACC).

Based on our audit procedures, we have noted that the Group's assessment and the judgments used are reasonable.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2018, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2018 are expected to be available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover this other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or with our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with PFRSs, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Bonifacio F. Lamacang, Jr.

Navarro Amper & Co.

BOA Registration No. 0004, valid from November 12, 2018 to July 16, 2021

SEC Accreditation No. 0001-FR-5, issued on January 15, 2019; effective until January 14, 2022, Group A
TIN 005299331

By:



Bonifacio F. Lamacang, Jr.

Partner

CPA License No. 0098090

SEC A.N. 0526-AR-3, issued on April 21, 2016; effective until April 21, 2019, Group A

TIN 170035681

BIR A.N. 08-002552-18-2018, issued on January 26, 2018; effective until January 26, 2021

PTR No. A-4255733, issued on January 10, 2019, Taguig City

Taguig City, Philippines
April 15, 2019

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES
A SUBSIDIARY OF CENTURY PACIFIC GROUP, INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31

	2018	2017
ASSETS		
Current Assets		
Cash and cash equivalents	P 1,676,474,926	P 1,548,564,038
Trade and other receivables	7,076,376,479	5,329,148,100
Due from related parties	122,847,147	185,761,559
Inventories - net	11,655,712,214	6,995,169,800
Biological assets	42,853,751	22,723,872
Prepayments and other current assets - net	467,388,654	476,669,793
Prepaid income tax	-	125,956,986
Total Current Assets	21,041,653,171	14,683,994,148
Noncurrent Assets		
Property, plant and equipment - net	5,458,069,440	4,935,811,422
Intangible assets - net	3,526,008,300	3,584,481,536
Deferred tax assets	219,094,587	95,250,778
Other non-current assets	92,476,882	59,925,720
Total Noncurrent Assets	9,295,649,209	8,675,469,456
TOTAL ASSETS	P30,337,302,380	P23,359,463,604
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	P 7,007,148,870	P 5,031,476,188
Borrowings - current portion	3,209,500,000	2,088,500,000
Income tax payable	98,640,787	-
Due to related parties	10,581,740	21,814,442
Finance lease obligation - current portion	26,779,422	-
Total Current Liabilities	10,352,650,819	7,141,790,630
Noncurrent Liabilities		
Borrowings - net of current portion	3,103,000,000	1,619,500,000
Retirement benefit obligation	78,277,685	107,501,371
Deferred tax liability	-	7,555,760
Finance lease obligation - net of non current portion	78,802,145	-
Total Liabilities	3,260,079,830	1,734,557,131
	13,612,730,649	8,876,347,761
Equity		
Share capital	3,542,258,595	3,542,258,595
Share premium	4,936,859,146	4,928,095,509
Share-based compensation reserve	8,211,398	8,324,313
Other reserves	30,628,942	30,628,942
Currency translation adjustment	42,513,081	39,742,739
Retained earnings	8,164,100,569	5,934,065,745
Total Equity	16,724,571,731	14,483,115,843
TOTAL LIABILITIES AND EQUITY	P30,337,302,380	P23,359,463,604

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES
A SUBSIDIARY OF CENTURY PACIFIC GROUP, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Years Ended December 31

	2018	2017	2016
Net Sales	P37,885,300,679	P32,907,317,107	P26,795,555,872
Cost of Goods Sold	29,737,566,156	25,972,795,962	19,677,984,326
Gross Profit	8,147,734,523	6,934,521,145	7,117,571,546
Other Income	535,516,845	428,078,385	272,039,674
	8,683,251,368	7,362,599,530	7,389,611,220
Operating Expenses	4,720,581,843	3,893,494,499	3,725,414,860
Finance Costs	196,861,598	106,978,129	77,427,650
Other Expenses	163,669,529	39,991,707	51,334,489
	5,081,112,970	4,040,464,335	3,854,176,999
Profit Before Tax	3,602,138,398	3,322,135,195	3,535,434,221
Income Tax Expense	767,865,538	770,238,525	879,838,159
Profit for the Year	2,834,272,860	2,551,896,670	2,655,596,062
Other Comprehensive Income (Loss)			
Item that will be Reclassified Subsequently to Profit or Loss			
Currency translation adjustment	2,770,342	4,819,879	(13,583,867)
Item that will not be Reclassified Subsequently to Profit or Loss			
Remeasurement gains on retirement benefit obligation - net of tax	15,556,508	4,779,310	22,118,897
	18,326,850	9,599,189	8,535,030
Total Comprehensive Income	P 2,852,599,710	P 2,561,495,859	P 2,664,131,092
Basic and diluted earnings per share	P0.8001	P0.7204	P0.7500

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES

A SUBSIDIARY OF CENTURY PACIFIC GROUP, INC.

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016**

	Share Capital		Share Premium	Share-based Compensation	Other Reserves	Current Translation	Unappropriated Retained	Appropriated Retained	Total
Balance, January 1, 2016	P2,360,685,933	P4,911,986,439		P5,262,360	P30,628,942	P48,506,727	P2,989,761,508	P -	P 10,346,831,909
Profit for the year	-	-	-	-	-	-	2,655,596,062	-	2,655,596,062
Other comprehensive income:									-
Currency translation adjustment	-	-	-	-	(13,583,867)	-	-	-	(13,583,867)
Remeasurement of retirement	-	-	-	-	-	-	22,118,897	-	22,118,897
Total Comprehensive Income	-	-	-	-	(13,583,867)	-	2,677,714,959	-	2,664,131,092
Transactions with owners:									-
Stock dividends	1,180,342,962	-	-	-	-	-	(1,180,342,962)	-	-
Cash dividends	-	-	-	-	-	-	(472,137,193)	-	(472,137,193)
Balance, December 31, 2016	3,541,028,895	4,911,986,439		5,262,360	30,628,942	34,922,860	4,014,996,312	-	12,538,825,808
Profit for the year	-	-	-	-	-	-	2,551,896,670	-	2,551,896,670
Other comprehensive income:									-
Currency translation adjustment	-	-	-	-	4,819,879	-	-	-	4,819,879
Remeasurement of retirement	-	-	-	-	-	-	4,779,310	-	4,779,310
Total Comprehensive Income	-	-	-	-	-	4,819,879	2,556,675,980	-	2,561,495,859
Transactions with owners:									-
Issuance of share capital	1,229,700	16,109,070	-	-	-	-	-	-	17,338,770
Cash dividends	-	-	-	-	-	-	(637,606,547)	-	(637,606,547)
Equity-settled share-based	-	-	3,061,953	-	-	-	-	-	3,061,953
Balance, December 31, 2017	P3,542,258,595	P4,928,095,509		P8,324,313	P30,628,942	P39,742,739	P5,934,065,745	P -	P14,483,115,843
Balance, January 1, 2018 (as previously restated)	P3,542,258,595	P4,928,095,509		P8,324,313	P30,628,942	P39,742,739	P5,934,065,745	P -	P14,483,116,843
Transition to PFRS 9 adjustment	-	-	-	-	-	-	17,812,003	-	17,812,003
Balance, January 1, 2018 (as adjusted)	3,542,258,595	4,928,095,509		8,324,313	30,628,942	39,742,739	5,951,877,748	-	14,500,928,846
Profit for the year	-	-	-	-	-	-	2,834,272,860	-	2,834,272,860
Other comprehensive income:									-
Currency translation adjustment	-	-	-	-	2,770,342	-	-	-	2,770,342
Remeasurement of retirement	-	-	-	-	-	-	15,556,508	-	15,556,508
Total Comprehensive Income	-	-	-	-	-	2,770,342	2,849,829,368	-	2,852,599,710
Transactions with owners:									-
Issuance of share capital	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	(637,606,547)	-	(637,606,547)
Equity-settled share-based	-	8,763,637	(112,915)	-	-	-	-	-	8,650,722
Appropriation of retained earnings	-	-	-	-	-	-	(1,599,300,000)	1,599,300,000	-
Balance, December 31, 2018	P3,542,258,595	P4,936,859,146		P8,211,398	P30,628,942	P42,513,081	P6,564,800,569	P1,599,300,000	P16,724,572,731

CENTURY PACIFIC FOOD, INC. AND SUBSIDIARIES

A SUBSIDIARY OF CENTURY PACIFIC GROUP, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended December 31

	2018	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	P3,602,138,398	P3,322,135,195	P3,535,434,221
Adjustments for:			
Depreciation and amortization	726,908,805	525,324,463	359,353,532
Finance costs	196,861,598	106,978,129	77,427,650
Loss on inventory obsolescence	94,774,003	11,956,952	18,970,008
Provisions	92,972,821	2,936,341	-
Loss on impairment of input VAT	50,880,193	1,444,836	5,418,732
Unrealized foreign exchange loss (gain) - net	44,741,545	(130,357,623)	(5,081,326)
Retirement benefit expense	41,694,411	40,285,134	34,255,249
Loss on impairment of goodwill	36,957,396	-	-
Loss on decline in value of inventories	22,065,037	10,796,525	6,841,777
Doubtful accounts expense	14,125,264	5,501,642	94,097,956
Share based compensation expense	8,650,722	3,061,953	-
Gain (loss) on disposal of property, plant and equipment - net	2,098,022	(3,276,212)	(5,211,839)
Interest income	(7,579,050)	(4,911,950)	(5,854,099)
Reversal of allowance of inventory	(28,616,691)	(56,387,327)	(6,183,465)
Reversal of accruals	(71,759,813)	(54,401,233)	(70,256,049)
Gain from sale of scrap - net	(123,654,220)	(157,750,288)	(4,177,398)
Reversal of allowance for doubtful accounts	-	(33,463,059)	-
Loss on impairment of PPE	-	2,006,445	-
Operating cash flows before working capital changes	4,703,258,441	3,591,879,923	4,035,034,949
Decrease (Increase) in:			
Trade and other receivables	(1,805,611,261)	(1,213,283,827)	(313,388,493)
Due from related parties	62,914,412	(94,641,921)	(49,750,163)
Inventories	(4,625,110,543)	725,039,119	(1,547,872,103)
Biological assets	(20,129,879)	12,093,910	(3,388,647)
Prepayments and other current assets	(41,599,054)	(32,640,321)	(225,333,538)
Other non-current assets	(32,551,162)	(2,490,059)	(6,593,224)
Increase (Decrease) in:			
Trade and other payables	1,954,459,674	353,226,551	807,943,333
Due to related parties	(11,232,702)	(68,179,742)	(20,959,272)
Finance lease obligation	99,522,472	-	-
Exchange differences on translating operating assets and liabilities	20,504,151	-	-
Cash generated from operations	304,425,159	3,271,003,633	2,675,692,842
Contribution to the retirement fund	(48,612,624)	(44,283,861)	(41,368,897)
Income tax paid	(681,338,695)	(1,019,115,869)	(924,302,005)
Interest received	7,095,123	4,332,120	5,248,905
Net cash from (used in) operating activities	(418,431,037)	2,211,936,023	1,715,270,845
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment	(1,307,707,845)	(1,531,804,883)	(1,558,923,826)
Proceeds from sale of property, plant and equipment	77,958,840	18,847,518	357,931,434
Acquisitions of intangible assets	-	(537,896,000)	(61,474,788)
Maturities of HTM investments	-	12,798,425	14,300,000
Interest income received	-	91,841	605,194
Acquisitions of subsidiaries (net of cash acquired)	-	-	(11,176,770)
Net cash used in investing activities	(1,229,749,005)	(2,037,963,099)	(1,258,738,756)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	4,050,000,000	2,665,000,000	1,544,000,000
Repayments of borrowings	(1,445,500,000)	(1,261,000,000)	(1,490,000,000)
Dividends paid	(637,606,547)	(637,606,547)	(472,137,193)
Finance costs paid	(190,802,503)	(104,768,115)	(64,932,233)
Proceeds from issuance of share capital	-	17,338,770	-
Net cash from (used in) financing activities	1,776,090,950	678,964,108	(483,069,426)
Net Increase (Decrease) In Cash and Cash Equivalents	127,910,908	852,937,032	(26,537,337)
Cash and Cash Equivalents, Beginning	1,548,564,038	695,627,006	722,164,343
Cash and Cash Equivalents, Ending	P1,676,474,946	P1,548,564,038	P 695,627,006

Disclaimer: Notes to the Company's financial statements are not presented here. The complete set of financial statements, including the notes, are covered by the independent auditors' report and are made available to all shareholders through the definitive information statement for the annual stockholders' meeting on July 1, 2019. A copy of the full set of financial statements may be downloaded through the Company's website (www.centurypacific.com.ph).

GRI CONTENT INDEX

102-55

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission	
			Part Omitted	Reason
GRI 101: Foundation 2016				
General Disclosures				
GRI 102: General Disclosures 2016	Organizational profile			
	102-1 Name of the organization	About the Company. Page 6.		
	102-2 Activities, brands, products, and services	About the Company. Page 6.		
	102-3 Location of headquarters	Contact Information. Page 99.		
	102-4 Location of operations	Contact Information. Page 99.		
	102-5 Ownership and legal form	Stock Highlights. Page 80-81.		
	102-6 Markets served	Accessibility. Page 40.		
	102-7 Scale of the organization	A Quick Glance. Page 7.		
	102-8 Information on employees and other workers	Our workforce profile. Page 52.		
	102-9 Supply chain	The Value of How We Do Things. Page 34-35.		
	102-10 Significant changes to the organization and its supply chain	There were no significant changes in the supply chain.		
	102-11 Precautionary Principle or approach	Food Safety and Quality. Page 41.		
	102-12 External initiatives	Economic Value Creation. Page 33.		
	102-13 Membership of associations	A Message from our Chairman and CEO. Page 21.		
	Strategy			
	102-14 Statement from senior decision-maker	A Message from our Chairman and CEO. Page 19-22.		
	102-15 Key impacts, risks, and opportunities	Risk Management. Page 76-77.		
	Ethics and integrity			
	102-16 Values, principles, standards, and norms of behavior	Refreshing and Redefining at 40. Page 14-16.		
	102-17 Mechanisms for advice and concerns about ethics	Code of Business Conduct and Ethics. Page 74-75.		
	Governance			
	102-18 Governance structure	Corporate governance. Page 68.		
	102-19 Delegating authority	Our Sustainability Journey. Page 28-29.		
	102-20 Executive-level responsibility for economic, environmental, and social topics	Our Sustainability Journey. Page 28.		
	102-21 Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement. Page 56-57.		
102-22 Composition of the highest governance body and its committees	Committees of the Board of Directors. Page 71-72.			
102-23 Chair of the highest governance body	Board of Directors. Page 60.			
102-24 Nominating and selecting the highest governance body	Corporate governance. Page 72.			
102-25 Conflicts of interest	Code of Business Conduct and Ethics. Page 74.			

GRI CONTENT INDEX

	102-26 Role of highest governance body in setting purpose, values, and strategy	Corporate governance. Page 73.		
	102-27 Collective knowledge of highest governance body	Board of Directors. Page 60-64.		
	102-28 Evaluating the highest governance body's performance	https://www.centurypacific.com.ph/investorpdf/Corporate/ANNUAL%20BOARD%20PERFORMANCE%20ASSESSMENT%20v2.pdf		
	102-29 Identifying and managing economic, environmental, and social impacts	What Sustainability is for us? Page 30-31.		
	102-30 Effectiveness of risk management processes	Risk Management. Page 76-77.		
	102-31 Review of economic, environmental, and social topics	The Value of How We Do Things. Page 34-35.		
	102-32 Highest governance body's role in sustainability reporting	A Message from our Chairman and CEO. Page 20.		
Stakeholder engagement				
	102-40 List of stakeholder groups	Stakeholder Engagement. Page 56-57.		
	102-41 Collective bargaining agreements	CNPF has no existing CBAs.		
	102-42 Identifying and selecting stakeholders	Stakeholder Engagement. Page 56-57.		
	102-43 Approach to stakeholder engagement	Stakeholder Engagement. Page 56-57.		
	102-44 Key topics and concerns raised	Stakeholder Engagement. Page 56-57.		
Reporting practice				
	102-45 Entities included in the consolidated financial statements	Stock Highlights. Page 80-81.		
	102-46 Defining report content and topic Boundaries	What Sustainability is for us? Page 30-31.		
	102-47 List of material topics	What Sustainability is for us? Page 30-31.		
	102-48 Restatements of information	Not applicable, since this is our first sustainability report		
	102-49 Changes in reporting	Not applicable, since this is our first sustainability report		
	102-50 Reporting period	Our Sustainability journey. Page 29.		
	102-51 Date of most recent report	Not applicable, since this is our first sustainability report		
	102-52 Reporting cycle	Our Sustainability journey. Page 29.		
	102-53 Contact point for questions regarding the report	Investor Relations. Page 78.		
	102-54 Claims of reporting in accordance with the GRI Standards	Our Sustainability journey. Page 29.		
	102-55 GRI content index	GRI content index. Page 93-98.		
	102-56 External assurance	No external assurance was conducted for		
GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission	
			Part Omitted	Reason
Material Topics				
GRI 200 Economic Standard Series				
Economic Performance				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Economic Value Creation. Page 33.		
	103-2 The management approach and its components	Economic Value Creation. Page 33.		
	103-3 Evaluation of the management approach	Economic Value Creation. Page 33.		

GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Value Creation. Page 33.		
Indirect Economic Impacts				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Economic Value Creation. Page 33.		
	103-2 The management approach and its components	Economic Value Creation. Page 33.		
	103-3 Evaluation of the management approach	Economic Value Creation. Page 33.		
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Economic Value Creation. Page 33.		
Anti-corruption				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Code of Business Conduct and Ethics. Page 74-75.		
	103-2 The management approach and its components	Code of Business Conduct and Ethics. Page 74-75.		
	103-3 Evaluation of the management approach	Code of Business Conduct and Ethics. Page 74-75.		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Risk Management. Page 76-77.		
	205-2 Communication and training about anti-corruption policies and procedures	Code of Business Conduct and Ethics. Page 74.		
	205-3 Confirmed incidents of corruption and actions taken	There were no confirmed incidents of corruption in 2018.		
Anti-competitive Behavior				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Code of Business Conduct and Ethics. Page 75.		
	103-2 The management approach and its components	Code of Business Conduct and Ethics. Page 75.		
	103-3 Evaluation of the management approach	Code of Business Conduct and Ethics. Page 75.		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Code of Business Conduct and Ethics. Page 75.		
Anti-competitive Behavior				
Materials				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Plastic neutrality by 2020. Page 51.		
	103-2 The management approach and its components	Plastic neutrality by 2020. Page 51.		
	103-3 Evaluation of the management approach	Plastic neutrality by 2020. Page 51.		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	The company is still setting up systems in measuring materials used.		
	301-2 Recycled input materials used	The company is still setting up systems in measuring recycled input materials.		
	301-3 Reclaimed products and their packaging materials	Plastic neutrality by 2020. Page 50.		
Energy				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Managing our energy consumption. Page 47.		
	103-2 The management approach and its components	Managing our energy consumption. Page 47.		
	103-3 Evaluation of the management approach	Managing our energy consumption. Page 47.		

GRI 302: Energy 2016	302-1 Energy consumption within the organization	Managing our energy consumption. Page 47.		
	302-2 Energy consumption outside of the organization	Managing our energy consumption. Page 47.		
	302-3 Energy intensity	Managing our energy consumption. Page 47.		
	302-4 Reduction of energy consumption	Managing our energy consumption. Page 47.		
	302-5 Reductions in energy requirements of products and services	Managing our energy consumption. Page 47.		
Water				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Managing our water consumption. Page 48.		
	103-2 The management approach and its components	Managing our water consumption. Page 48.		
	103-3 Evaluation of the management approach	Managing our water consumption. Page 48.		
GRI 303: Water 2016	Replace with 303-5 Water consumption	Managing our water consumption. Page 48.		
Emissions				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Monitoring our emissions. Page 49.		
	103-2 The management approach and its components	Monitoring our emissions. Page 49.		
	103-3 Evaluation of the management approach	Monitoring our emissions. Page 49.		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Monitoring our emissions. Page 49.		
	305-2 Energy indirect (Scope 2) GHG emissions	Monitoring our emissions. Page 49.		
	305-4 GHG emissions intensity	Monitoring our emissions. Page 49.		
	305-5 Reduction of GHG emissions	Monitoring our emissions. Page 49.		
Environmental Compliance				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Purchases assessment. Page 42-45.		
	103-2 The management approach and its components	Purchases assessment. Page 42-45.		
	103-3 Evaluation of the management approach	Purchases assessment. Page 42-45.		
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	There were no reported incidents of non-compliance in 2018.		
Supplier Environmental Assessment				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Purchases assessment. Page 42-45.		
	103-2 The management approach and its components	Purchases assessment. Page 42-45.		
	103-3 Evaluation of the management approach	Purchases assessment. Page 42-45.		
GRI 400 Social Standards Series				
Employment				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Diverse and inclusive hiring. Page 52.		
	103-2 The management approach and its components	Diverse and inclusive hiring. Page 52.		
	103-3 Evaluation of the management approach	Diverse and inclusive hiring. Page 52.		

Training and Education				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Professional and personal growth. Page 54-55.		
	103-2 The management approach and its components	Professional and personal growth. Page 54-55.		
	103-3 Evaluation of the management approach	Professional and personal growth. Page 54-55.		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Learning and development. Page 54.		
	404-2 Programs for upgrading employee skills and transition assistance programs	Learning and development. Page 54.		
Diversity and Equal Opportunity				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Our workforce profile. Page 52.		
	103-2 The management approach and its components	Our workforce profile. Page 52.		
	103-3 Evaluation of the management approach	Our workforce profile. Page 52.		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Our workforce profile. Page 52.		
Security Practices				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	https://www.centurypacific.com.ph/investorpdf/SEC%20Filings/CNPF_Policy%20Statement%20on%20Human%20Rights.pdf		
	103-2 The management approach and its components	https://www.centurypacific.com.ph/investorpdf/SEC%20Filings/CNPF_Policy%20Statement%20on%20Human%20Rights.pdf		
	103-3 Evaluation of the management approach	https://www.centurypacific.com.ph/investorpdf/SEC%20Filings/CNPF_Policy%20Statement%20on%20Human%20Rights.pdf		
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	https://www.centurypacific.com.ph/investorpdf/SEC%20Filings/CNPF_Policy%20Statement%20on%20Human%20Rights.pdf		
Rights of Indigenous Peoples				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Working with indigenous people. Page 53.		
	103-2 The management approach and its components	Working with indigenous people. Page 53.		
	103-3 Evaluation of the management approach	Working with indigenous people. Page 53.		
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	There were no reported incidents of violations involving human rights of indigenous people.		
Local Communities				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Feeding public school students through KAIN Po. Page 39.		
	103-2 The management approach and its components	Feeding public school students through KAIN Po. Page 39.		
	103-3 Evaluation of the management approach	Feeding public school students through KAIN Po. Page 39.		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Feeding public school students through KAIN Po. Page 39.		

Supplier Social Assessment				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Purchases assessment. Page 42-45.		
	103-2 The management approach and its components	Purchases assessment. Page 42-45.		
	103-3 Evaluation of the management approach	Purchases assessment. Page 42-45.		
Customer Health and Safety				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Nutrition. Page 36-39. Food quality and safety. Page 41-43.		
	103-2 The management approach and its components	Nutrition. Page 36-39. Food quality and safety. Page 41-43.		
	103-3 Evaluation of the management approach	Nutrition. Page 36-39. Food quality and safety. Page 41-43.		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Food quality and safety. Page 41. Nutrition. Page 36.		
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	There were no confirmed incidents of non-compliance concerning health and safety of our products in 2018.		
Marketing and Labeling				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Testing and trainings. Page 41.		
	103-2 The management approach and its components	Testing and trainings. Page 41.		
	103-3 Evaluation of the management approach	Testing and trainings. Page 41.		
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Testing and trainings. Page 41.		
	417-2 Incidents of non-compliance concerning product and service information and labeling	There were no reported incidents of non-compliance in product information and labeling.		
	417-3 Incidents of non-compliance concerning marketing communications	There were no reported incidents of non-compliance in marketing communications.		
Customer Privacy				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Data privacy. Page 75.		
	103-2 The management approach and its components	Data privacy. Page 75.		
	103-3 Evaluation of the management approach	Data privacy. Page 75.		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no reported complaints concerning breaches of customer privacy.		

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Sustainability and
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