



# PRIME MEDIA *Holdings, Inc.*

2019 SUSTAINABILITY REPORT

June 2019

## BUSINESS CONTEXT

Prime Media Holdings Inc. ("PMHI" or the "Company") is a holding company listed in the Philippine Stock Exchange with corporate offices at 16 th Floor, Citibank Tower, 8741 Paseo de Roxas, Makati City.

Originally incorporated as the Private Development Corporation of the Philippines (PDCP) in 1963, the Company's Board of Directors approved an amendment to its Articles of Incorporation in 2002

which changed its primary purpose to a holding company focused on investments in the media industry.

The Company is still in the process of assessing whether it will strategically enter the media industry or adopt another business model in light of developing conditions in the Philippines. In the meantime, in view of its minimal operations, PMHI gradually retired all its employees in 2010 by outsourcing its administration

and operations to consultants and service providers during this period of corporate reorganization and business model assessment.

While PMHI is currently non-operational, its transition process is aligned with sustainable development goals. This report signifies the Company's commitment to good corporate governance and that PMHI's sustainable reporting process is in place.



# REINVENTION INTO A SUSTAINABLE GOING CONCERN THROUGH GOOD CORPORATE GOVERNANCE

PMHI hopes to eventually contribute to sustainable development goals by promoting Good Corporate Governance as the Company revitalizes and re-invents itself. Moving forward, the firm is confident that it will eventually adopt a truly sustainable business model not just for its shareholders but for society as a whole. As already described in its previous public disclosures, the firm is engaged in significant exploratory talks with interested parties in order to relaunch its activities as an investment firm.

In 2019, PMHI generated a direct economic value of Php 3.56 Million and remitted taxes to the Philippine Government in the amount of Php419,318.00.

The figures may not be deemed substantial from a business standpoint, but it strengthens PMHI's contribution to the Philippine government and the local economy. Even without directly operating, PMHI managed to deliver positive returns to its stakeholders.

Data security is also a vital material topic as the company plans to lay the groundwork to revitalize its operations in the future. Pursuant to the Data Privacy Act of 2012, PMHI appointed a Data Privacy Officer to ensure strict implementation of confidentiality measures that comply with Philippine data privacy laws.

In summary, PMHI demonstrates good corporate governance by deliberately and gradually preparing for future growth through a new business model as a holding company focused on determining future strategic investments.



# MATERIALITY ASSESSMENT AND SUSTAINABILITY REPORTING PROCESS

To further demonstrate its commitment to good corporate governance best practices, PMHI produced this initial Sustainability Report for its fiscal year beginning 1 January and ending 31 December 2019. The Company expects to further develop its materiality assessment and sustainability reporting process once it completes its corporate reorganization and resumes operations as a going concern.

To initiate its sustainability reporting processes, the Company engaged the services of Atty. Teodoro Kalaw IV, who is certified both as a sustainability trainer by the Global Reporting Initiative and a sustainability report assurer

by the Institute of Certified Sustainable Practitioners. Atty. Kalaw is also the first Filipino to graduate with a Masters degree in Sustainability Leadership from the University of Cambridge. Atty. Kalaw facilitated an extensive sustainability orientation and materiality assessment workshop for key officers and staff of the Firm. As a result of the orientation and workshop and in light of the fact that PMHI is not currently operating substantially as a going concern, workshop participants determined that most of prospective material topics in the economic, environmental and social domains described in SEC Memorandum Circular No. 4 s. of 2019<sup>1</sup> are presently not relevant

to our stakeholders. As it moves toward restarting its business operations, PMHI expects to be able to specifically demonstrate its contributions to the Sustainable Development Goals promoted by the United Nations. Moving forward, the transition would support sustainable economic growth and increase employment opportunities.

Ultimately, the real benefit of this initial process is in preparing the Company for robust sustainability reporting in future fiscal years thus providing a foundation for more accountability and transparency in its future disclosures and other reporting processes.

## INDEX OF MATERIAL TOPICS

Pursuant to Annexes A (Reporting Template) and B (Topic Guide) of the SEC Memorandum Circular No. 4 (Sustainability Reporting Guidelines for Publicly-Listed Companies), the following are the topics PMHI has identified as material for the reporting period and which were addressed in this report:

Topic	Page Number in Annex A of the SEC Guidelines	Page Number in this Report
Economic Performance	19	2
Data Privacy and Security Protection	41	2