COVER SHEET 1 5 9 9 5 0 S.E.C. Registration Number C R O W N CORPORATION (Company's Full Name) H I G H W A Y K M 3 3 M C A|R|T|H|U|R BULACAN BO I|G|U|I|N|T|OTITA P. VILLANUEVA 3 4 1 3 8 0 3 2 **Company Telephone Number Contact Person** 3 1 1 1 1 SUSTAINABILITY REPORT 0 | 5 **FORM TYPE** Month Day Month Day Fiscal Year Annual Meeting Secondary License Type, If Applicable Amended Articles Number/Section Dept. Requiring this Doc. Total Amount of Borrowings 6 6 Total No. of Stockholders Domestic Foreign To be accomplished by SEC Personnel concerned LCU File Number Document I.D. Cashier STAMPS

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CROWN ASIA CHEMICALS CORPORATION

SUSTAINABILITY IN ACTION



ANNUAL SUSTAINABILITY REPORT 2022

About the Cover

Crown Asia Chemicals Corporation (CROWN) presents its fourth Annual Sustainability Report (2022).

The cover shows a sustainable community – our sustainable future. CROWN Asia Chemicals Corporation looks ahead and plans its future for its stakeholders – employees, suppliers, partners, customers, and the community. CROWN continues to recover from the effects of the pandemic on the business and places much effort into ensuring the well-being of its employees and their families.

CROWN visualizes that we will be a future-ready and sustainable company facing the better normal with our stakeholders. Reaching out to make a difference in the community, we work to continue to provide a clean environmental footprint and positive social impact.

As we aim to drive business growth, CROWN strives to maximize the potential of its digital assets as platforms for supporting our partners, contractors, dealers, and customers with seamless communication and reaching far areas of the country. We combined it with direct advertising, promotions, and tactics to deliver our products thru our nationwide distribution channels. Operational processes were continuously improved to address the needs of our customers and partners and as part of the growing construction industry in support of infrastructures, rural and urban areas.

CROWN a business and governance-centric company ensures adherence to good governance in managing the whole company. The company re-engineer's corporate business processes that properly integrate suppliers and external partners and observes government laws and policies. This is to strengthen the company's foundation and to remain resilient and steadfast in the years to come for its employees, partners, stockholders, and future generation.

In the spirit of growing together, we share with you our "Sustainability in Action", our annual sustainability report for 2022. With this, we present our convergence toward social, economic, and environmental sustainability.

The online version of our 2022 CROWN Annual Sustainability Report is available at our CROWN website (https://www.crownpvc.com.ph/).



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ABOUT THE REPORT

MESSAGE FROM THE CHAIRMAN AND CEO

Our Sustainability Reports (since 2019) have adopted a comprehensive and concise discussion of our social, governance, economic and environmental aspects in an evolving manner covering key topics from employees, suppliers, customers, environment, and community engagements.

CROWN has procurement policies and procedures for its suppliers which answers, product quality, and business relationships based on integrity.

CROWN remains focused to be a trusted brand in the construction industry reaching out to its customers thru seamless communication anywhere in the country. To meet the changing need of its customers, CROWN improves its digital assets to connect to its customers. Our customers' and partners' successes are equally important to us.

CROWN's good corporate governance will be focused on enhancing the workplace environment for employees and maintaining their good health which will contribute to a sustainable society aligned with its Core Values, Mission, and Vision.

CROWN will continue in improving the environment performance and conform with legal or official environmental requirements, policies, and laws in support of protecting our environment for the next generations.

Our Economic performance points to resiliency, share investment value and support to local industries.

This is to share our accomplishment with all our employees, suppliers, partners, customers, shareholders, and investors to ask for your continued support.

We believe in doing the right things.

Tita P. Villanueva Investor Relations Officer (+63) 8294-2071 0917-840-0434 tpvillanueva@crownpvc.com.ph To our valued shareholders and stakeholders,

Our annual report shows Crown Asia Chemicals Corporation (CROWN) has been resolute in supporting its community, its partners, and its employees. 2022 was another challenging year for Crown Asia Chemicals Corporation. However, we were determined and focused as we face the better normal. We welcomed new business partnerships; we received local and international recognitions and made an impact on our society.



We worked with different organizations to reach Bohol, Bacolod and the town of San Ricardo, the farthest part of Southern Leyte Island in the Visayas to support our fellow Filipinos affected by typhoons and floods. We built collaborating relationships with the government, NGOs, professional groups, and educational institutions to deliver sustainable solutions in the community.

We are proud of how our CROWN Family demonstrated resiliency, flexibility, and strength in the post-pandemic. We recognized employee achievements as we believe our employees are the company's backbone. The company will continue to support the health, family, and career growth of each member of the organization.

CROWN will continue to offer world-class quality products to our markets, old and new, and set foot on new journeys with new business partners in different places in the country. CROWN will keep up with seamless- communication, improve operation processes, and work with the best suppliers to provide our customers with the quality products and services they deserve.

We know that 2023 will be another challenging year for all of us. But with a positive attitude and team perseverance, we can achieve the company's goal. Let us work together to shape a sustainable future for the growth of our community, our partners, our organizations, our employees, and most especially, the next generation.

Crown Asia Chemicals Corporation is always committed to putting safety and quality first!

Thank you for your trust and strong partnerships. May God bless us all!

Walter H. Villanueva Chairman and CEO

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WE ARE CROWN

Crown Asia Chemicals Corporation (CACC) is a publicly listed manufacturing company engaged in the production of premium quality polyvinyl chloride (PVC) compounds, high quality pipes and Fittings made of PVC, polypropylene (PP-R), high-density polyethylene (HDPE), PVC thermal roofing, and for the construction, telecommunication and infrastructure projects.

The company was registered with the Securities and Exchange Commission (SEC) on February 10, 1989, and had its Initial Public Offering (IPO) on April 27, 2015 with the Philippine Stocks Exchange (PSE). Imbued with a constancy of purpose and a strong commitment to corporate





OUR VISION

 T_{o} be the leading and preferred manufacturer and supplier of world class and innovative thermoplastic, industrial and chemical products.



OUR MISSION

To strive for market leadership by offering innovative thermoplastic, industrial and chemical products that meet or exceed both national and international standards ensuring quality, reliability, and value for money for our customers and upholding a nurturing environment for our employees, while managing the business professionally with integrity, providing good return to our shareholders.

OUR CORE VALUES

These are the principles that guide our internal conduct, as well as our relationship with the external world:

- ommitted to integrity in generating profitable returns
- eputation for quality, reliability and value for money
- utstanding products that meet or exceed national and international standards
- orld-class products that are innovative and of the latest technology
- urturing our employees to develop their full potential and work productively towards a common goal



CORPORATE ORGANIZATION





BOARD OF DIRECTORS









COMMITTEES

EXECTIVE OFFICERS

Walter H. Villanueva

President General Manager - PVC Roof Division OIC - Compounds Division Chief Risk Management Officer

Tita P. Villanueva

Senior Vice President Chief Financial Officer

Derrick P. Villanueva

General Manager PVC Pipes Division

Nicasio T. Perez

Vice President Treasurer

Hans Joseph T. Perez

General Manager PP-R HDPE Pipes Division



Ernesto R. Alberto

Marie Therese G. Santos Member

Fernando S. Lopez

Derrick P. Villanueva

Hans Joseph T. Perez

Corporate Govenance Committee



Fernando S. Lopez

Ernesto R. Alberto

Marie Therese G. Santos

Eugene H. Lee Villanueva Member

Nicasio T. Perez

Audit Committee



Marie Therese G. Santos

Ernesto R. Alberto

Fernando S. Lopez Member

Derrick P. Villanueva Member

Hans Joseph T. Perez Member

Risk Management Committee

NOTE:

- Bede Lovell S. Gomez resigned on August 18, 2022 as he joined GSIS.
- The Board elected Fernando S. Lopez as Independent Director.
- Ernesto R. Alberto assumed chairmanship of Corporate Governance Committee.
- Fernando S. Lopez assumed chairmanship of Audit Committee.
- Marie Therese G. Santos assumed chairmanship of the Risk Management Committee

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CROWN ASIA CHEMICALS CORPORATION

GOOD CORPORATE GOVERNANCE

Good Corporate Governance helps the decision-maker act in the best interest of the business. It leads to ethical business practices, which leads to financial viability. It is important because it creates a system of rules and practices that determines how the whole organization operates and how it aligns with the interest of all its stakeholders.

CROWN promotes good governance thru accountability, transparency, efficiency, and the rule of code of conduct at all levels and allows efficient management of human, natural, economic, and financial resources for equitable and sustainable development. CROWN improves governance by taking a closer look at its internal business structures, processes, and projects. It continuously improves its policies and processes to help the corporation move toward its goals while preventing unwanted conflicts.

CROWN balances the needs of its shareholders, board members, customers, suppliers, and various communities such as executive management, operations, project management, process improvement, and information technology. The company aims to create an honest, open environment that promotes structure in planning, and agility in execution. The board members and executive committees dedicated funding to innovate and grow, to show leadership and sound judgment to provide guidance and inspiration to all the stakeholders.

The Board of Directors regularly meets six times a year and holds additional meetings when needed. The board with different committees on risk management, audit, and corporate governance meets to discuss and address matters with sound judgment. While Executive Officers have scheduled monthly meetings or as often as needed to discuss each division's results and difficulties, review policies' effectiveness, and improve the operational processes. Management Committee meetings are held monthly and operations meetings weekly. This is the time the executives, managers and supervisors discuss procedures and operations for everyone to examine the company's workflow, goals, and setbacks.

Our Corporate Creed ACE – I is the company's guide to good work ethics. This stands for Attitude, Commitment, Excellence and Integrity. This set of values are based on discipline and hard work.

Good work ethics affects how employees and management handle their responsibilities and how they take their work seriously. With good work ethics, everyone is motivated to go beyond the standards and aims for excellence.

A corporate governance seminar was held for 2022 and attended by directors, executives, officers, and managers. Topics were Sustainability, Risk Management, and Succession Planning. This is to equip managers for determining risks and how to mitigate them as part of their duties. Managers can forecast action plans and policies and interphase with other departments.

Sustainability is a task of each member of the organization, knowing and planning productivity today without harming the environment that will compromise the generations to come.

For succession planning, the company will be able to identify critical positions in the organization and develop an action plan and guide individuals who will assume responsible positions. This will ensure business continuity in terms of growth and profitability which spells for the long-term sustainability of the business.



ETHICAL PRACTICES

CROWN goes by the principle of sound business ethics adhering to honesty, integrity and credibility. This transcends from the Board, the management and all its employees. It is advocate for all to live professionally by our ethical standards and policy of no receiving gifts and no bribery. The employee populace is encouraged to practice whistle blowing thru discreet channels as spelled out in the policy.

As the company practice sound business ethics, it also protects the dignity of all employees thru its anti-sexual harassment policy and protects the work environment thru its Drug Free Policy. All employes undergo surprise drug test once a year.

RISKS MANAGEMENT / MITIGATION AND OPPORTUNITIES

Fossil fuel shortage	Higher efficiency in production and distribution				
Volatile fuel prices	Shift to renewable energy sources (RE) Shift or convert to machineries and vehicles that can operate using renewable sources				
Foreign Exchange Volatility	Increase export earnings More efficient procurement process				
Operating Costs	Increase export earnings Prudent Expenditure Management Forecast and Budgets Sensible cost cutting measures More efficient maintenance process				

CROWN ensures disclosures of relevant information (structure and non-structured) thru the PSE Edge portal to provide timely information of interest to its public investors. As a listed company, it is even more imperative to comply with all regulations of the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE) as well as all reportorial requirements. There are uploaded to the company website https://crownpvc.com.ph/ for the perusal of the general public.

PRIMARY ACTIVITIES

SOURCING INBOUND LOGISTIC

OPERATION / MANUFACTURE RECYCLING WAREHOUSE MANAGEMENT

LOGISTICS

SALES & MARKETING

MARGIN

VALUE

CORPORATE STRUCTURE AND GOVERNANCE

HUMAN RESOURCES MANAGEMENT

TECHNOLOGICAL DEVELOPMENT

PROCUREMENT

PRIMARY ACTIVITIES

SOURCING

The company sources materials from accredited local and foreign suppliers that adhere to both local and international standards.

INBOUND LOGISTICS

The company warehouse management includes receiving, quality control, proper stocking, and inventory of all raw materials and supplies.

OPERATIONS (MANUFACTURING)

Production planning of needed resources and continuous employee skills development are in place to ensure the manufacture of quality products. Processes involved in the manufacturing of raw materials to finished products are audited daily to check their relevance and how they can be improved to make production more efficient.

The company manufactures world-class CROWN Pipes from its own PVC formulation and other construction products that are being used for public and private infrastructure projects across the country.

CROWN premium PVC compounds are the raw materials being used for the production of wires and cables and for other various applications like containers and packaging, etc.





RECYCLING

Fall-down pipes are recycled into different sustainable items for low-impact use.

WAREHOUSE MANAGEMENT

Warehouse management involves running the day-to-day operations of the warehouse from proper stocking, and encoding production output to releasing products to logistics department. This includes receiving and organizing warehouse space, sorting, packaging, scheduling labor, managing inventory and fulfilling orders.

OUTBOUND LOGISTICS

The logistics department handles the distribution, shipping, and delivery to ensure products will reach our customers on time and in good condition.

SALES & MARKETING

Sales and Marketing teams work together to reach our target customers. CROWN used various channels for product promotions from digital advertising to direct selling. CROWN Pipes and roofing are marketed and sold to contractors, trade partners of wholesalers and dealers, and construction depots.

CROWN Compounds are supplied to export and domestic markets for various product applications such as window profiles, container packaging, footwear, and wires and cables.

SECONDARY ACTIVITIES

CORPORATE STRUCTURE AND GOVERNANCE

Good governance leads the company to a healthy balance sheet and profitability, effective implementation of plans, efficient daily operations, dividends contributions to its shareholders, and benefits for its employees. The company is ISO Certified and PSE listed with policies and a working manual to ensure quality performance.

HUMAN RESOURCES

Employees' health, benefits, and training are priorities to ensure retention and efficiency at work. There is a yearly performance evaluation to determine employees for promotion, salary adjustments and setting of goals for next year's performance.

TECHNOLOGICAL DEVELOPMENT

 $P_{rocesses}$ are regularly reviewed to check their relevance and how they can be improved to meet the demands of the latest development in the market.

PROCUREMENT

Proper sourcing procedures are in place. Well-planned and bulk purchasing resulted in good bargaining of supplies' costing. Suppliers' audits are being conducted quarterly to ensure our suppliers adhere to our standards, to local and international standards as well as to observe adherence to desirable social values.

CROWN AT A GLANCE

For thirty-three years, CROWN has continuously improved its products and employees' services to ensure that we are true to our promise of putting safety and quality first.



1989

Crown Asia Chemicals Corporation (formerly Crown Asia Compounders Corporation) was registered with the Securities and Exchange Commission in February 1989 as a manufacturing company of plastic compounds and other plastic products.

Commercial operations began in June 1990 with 22 employees at its plant in Guiguinto, Bulacan with a capacity of 1,800 metric tons a year.

- · The PVC compounds were accredited and recognized under the U.S. Underwriters Laboratories (UL)
- · Started exporting its PVC compounds.

ISO 9002:1994

Compounds Division was granted the ISO 9002:1994 Certification by **OMS** International

Introduced Crown Electrical Conduit pipes with Crown Supreme thick wall pipes and Crown Hi-Tech pipes and

Crown Blue potable water pipes.

2002

Crown Sanitary pipes were produced with the distinction of having built-in UV Protection for superior and longer-lasting drain-waste-vent (DWV) Pipes.

COMPANY HISTORY

Expanded the application of its PVC compounds for use in packaging, IC tubes, films and bottles, doors, and window profiles.

Started manufacturing telecom and pressure main pipes, and introduced HDPE pipes.



- · Production and supplying to projects of PVC Thermal Roofing.
- · Shariah-Compliant Listed Company.

2016

Launched its new sustainable product line - ENDURO Pipes and fittings.



- · On April 27, 2015, Crown Asia Chemicals Corporation (CROWN) was publicly listed on the Philippine Stock Exchange (PSE).
- · Started manufacturing PP-R and HDPE pipes.

Forbes Asia



ISO 9001:2008

compounds.

Compound Division received its ISO 9001:2008

Certification on April 7, 2010, for operating a

quality management system in the

manufacture and distribution of thermoplastic





2014

In its 25th year, Crown Asia Chemicals Corporation established itself as one of the leading manufacturers of thermoplastic compounds and the "Crown Pipes" brand as a trusted supplier of world-class quality pipes for building and construction, telecommunications, and infrastructure projects in the Philippines.



- · CROWN introduced its new product line the CAC, Your Clean and Comfort
- · Essentials. Shariah-Compliant Listed Company..

The Pipe Division was awarded its ISO 9001:2000 Certification from Certification International.





CROWN ASIA CHEMICALS INCLUDED IN FORBLES ASIA'S 'BEST UNDER A BILLION' LIST

- For the 2nd time, recognized as one of Forbes Asia's 'Best under a Billion' top performing listed companies in the Asia-Pacific
- And for 6 consecutive years, CROWN has been listed by the Philippine Stocks Exchange as one of the 57 Shariah-Compliant public firms.



- Recognized by Financial Times' Top 1000 High Growth Companies in the Asia Pacific.
- ISO 9001:2015 Certified for its Compounds Division on March 19, 2018, and its Pipes Division on July 9, 2018.
- · Shariah-Compliant Listed Company.



- Shariah-Compliant Listed Company.

· Introduced Crown Septic-Tech in the

- Among Forbes Asia's Best 200 under a Billion' top-performing listed companies in the Asia-Pacific Region.
 - Shariah-Compliant Listed Company.



CROWN, DOING THINGS RIGHT!

Going our 34 years, we at Crown Asia Chemicals Corporation, adopted CROWN to represent our DNA. Succinctly put, it is about who we are adhering to golden standards in every facet of our growth from before up to the present and onwards into the future. CROWN already expanded our product lines to PVC pipes, PPR and HDPE pipes, PVC thermal Roofing materials, PVC potable septic tanks, and CROWN's bathroom fixtures and accessories.

Starting the business with 9 employees, the company now has 305 employees. From our principal plant in Guiguinto Bulacan, CROWN now has its Valenzuela plant and auxiliary manufacturing plant facilities, sales depots in Cebu and Davao, and administrative offices in Quezon City and Valenzuela City.

In 2015, CROWN was listed on the Philippine Stock Exchange. The Board of directors (BOD) consist of nine (9) Directors with three (3) Independent directors who check, Audit, Risk Oversight, and Governance Committees.

In March 2018 and July 2018 CROWN's PVC Pipe and PVC Compounds Division, respectively, were certified ISO 9001:2015.

In the past few years, CROWN was twice named by Forbes Asia (2020 & 2022) as among the 200 Best under a Billion and by The Financial Times of London as one of the Top 1000 Growth Companies in the Asia Pacific Region in 2021 in the Philippines, the Philippines Daily Inquirer (PDI) named CROWN as one of the PH Growth Champion in 2021. CROWN has consistently been listed among the SEC Shariah Compliant Companies from 2017 to 2022.

We believe we deserve our CROWN, not only as a company, as well as our, CROWN Family and OUR crown products. Our principles remain in good governance, doing things right. And being true to all our stakeholders. "We do the right thing" permeates through our day-to-day existence across our CROWN family, across departments, minding to nurture our environment. No doubt these principles will translate to our long-term sustainability and continuity.

CROWN[®] INTERNATIONAL RECOGNITION





CROWN ASIA CHEMICALS INCLUDED IN FORBLES ASIA'S 'BEST UNDER A BILLION' LIST

For the second time (2020 & 2022), CROWN Asia Chemicals Corporation (CROWN) was recognized by Forbes Asia's Best Under a Billion List in the Asia Pacific Region as one of the three (3) Philippine Companies among the 200 companies in the Asia Pacific Region. Forbes champions success and identify companies with long-term sustainable performance across a variety of metrics. Those who drive changes, transforms business and those who make a significant impact to the community. The companies were selected based on the incorporated overall track record in measures such as debt, sales and earnings-per-share growth over both the most recent fiscal one- and three-year periods, and the strongest one- and five-year average returns on equity. The list uses full-year annual results, based on the latest publicly available figures they issue. Also, qualitative screens were also considered such as excluding companies with serious governance issues, questionable accounting, environmental concerns, management issues or legal troubles.



CROWN is one of 66 securities in 2022 deemed Shariah-compliant by the Philippine Stock Exchange. It is our 5th year to be listed as one of the 66 Shariah-compliant public firms by the Philippine Stocks Exchange. In order for a company to be listed as a Shari'ah-compliant entity, it must be consistent on developing the overall market and its market segment, exclusion of investments which derive a majority of their income from the sale of alcohol, pork products, pornography, gambling, military equipment or weapons, its cash or interest-bearing deposits shall not reach more than 30% of the company's market capitalization while accounts receivable must be lower than two-thirds of its market capitalization, facilitating innovation and digital services, creating avenues for a sustainable financing ecosystem and championing good governance.



 $I_{\rm N}$ 2018, CROWN was one of the 26 Philippine firms among Asia Pacific's fastest-growing companies awarded by Financial Times (London) as Top 1000 High Growth Companies in the Asia Pacific Region.

INTERNATIONAL CERTIFICATIONS





T rue to its promise of putting safety and quality first, CROWN is ISO 9001: 2015 certified by Certification International. This certification guides CROWN to high standards to ensure the quality, safety, and efficiency of our systems and the world-class product we produce.



international market research firm Statista. This inaugural survey showcases companies from different industries that were able to consistently achieve the highest revenue growth from 2016 to 2019 among the domestic listed companies.

CROWN[®] SUSTAINABLE PRODUCTS

PRODUCT TRADEMARKS

CROWN ensures ownership of all trademarks like logos, signs, and trade names of all our products. This is to differentiate CROWN branding from other product and distinguish it from other brands in the market. We have legal consultants for the renewal of all trademark's intellectual property rights and to handle any brand infringement to protect the integrity of CROWN brand quality.

PRODUCT QUALITY AND INNOVATION

CROWN Products undergo daily testing thru our Quality Assurance Chemical Engineers to validate their strength and quality standards. We are always ready for extensive testing and inspections in our plants to accommodate clients' requests who undertake big infrastructure projects.

Our research and development office performs regular testing for new formulations to adapt to the changing needs of the clients and for the continuous improvement of our products as we aim to offer sustainable products that provide long-lasting solutions.

CROWN PRODUCTS, TRUSTED FOR QUALITY AND EXCELLENCE

CROWN Asia Chemicals Corporation's first product introduced in 1989 is the CROWN PVC Compound. CROWN is one of the market leaders in PVC compound productions that can supply other plastic manufacturers with high-quality PVC compounds that fit operational needs to be able to manufacture high-quality products for their customers' use. CROWN Compound is branded as CROWN Petrovin for domestic manufacturing and CROWN Technovinyl is being exported for wire and cable production. CROWN premium compounds are used as raw materials in the production of container packaging, wires and cables, shrink-wrap films, window and door profiles, IC tubings, sandals, and safety boots.

CROWN Asia Chemicals Corporation's major brand is the CROWN Pipes being used in and provides safety and quality to homes, offices, railroads, subways, major highways, airports, water resources, skyways, major infrastructures, condominiums, community centers, from farms to markets and to urban areas. CROWN Pipes is one of the trusted brands of top developers in the Philippines.

CROWN PRODUCTS	IMPACT
CROWN® COMPOUNDS	SDG# 9 Industry, Innovation and Infrastructure Supplies raw materials for the innovation of new products of other plastic manufacturing company.

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CROWN PRODUCTS	IMPACT
CROWN® SANITARY WY PROTECTED	 SDG# 3 Good Health and Well Being Safeguards the sanitation systems to protect the health of the community. SDG# 6 Clean Water and Sanitation Provides safe water to daily living of the community and proper disposal of human wastes to prevent contamination that will damage the heath of people and animals in the area. SDG# 9 Industry, Innovation and Infrastructure CROWN Pipes delivers a reliable piping system to make infrastructure resilient against flooding. SDG# 11 Sustainable Cities and Communities Safe piping system for home sanitation.
CROWN*ELECTRICAL	 SDG# 11 Sustainable Cities and Communities Provides a safe and quality electrical system to homes and offices. SDG# 9 Industry, Innovation and Infrastructure Source of safe electrical system to commercial, township developments an expressways.
CROWN PP-R	 SDG# 3 Good Health and Well Being Supply hot and cold water for medical use in the hospitals and health institution SDG# 6 Clean Water and Sanitation Offers comforts with clean hot and cold-water application with high pressur for home and business uses. SDG# 11 Sustainable Cities and Communities Provides a safe and quality electrical system to homes, offices, commercial and township developments.
CROWN* HDPE	 SDG# 7 Affordable Clean Energy Protects ecosystems while there is a developing hydropower sources of electricity and bioenergy. SDG# 9 Industry, Innovation and Infrastructure Deliver high-pressure performance for sustainable solutions to high-enpiping applications, industrial and agricultural infrastructure manufacturing plants such as irrigation, sewage, drainage, water/gas supplemains and distribution pipelines.
CROWN® TELECOM	 SDG# 9 Industry, Innovation and Infrastructure Protects wires and cables for technological advancement and digital communication for uninterrupted accessibility. SDG# 11 Sustainable Cities and Communities Provides a safe and quality electrical system to homes, offices, commercial and township developments.

CROWN PRODUCTS	IMPACT
CROWN* INFRA-BLUE	SGD 8 Decent Work and Economic Growth Source of water from dams for production of food and energy that contributes to decent work and economic growth for agricultural areas. SDG# 9 Industry, Innovation and Infrastructure Provide adequate water supply to irrigation system for other industries' use. SDG# 11 Sustainable Cities and Communities Use in the development of water resources to supply better to communities.
CROWN*SAFE-BLUE	 SDG# 3 Good Health and Well Being SDG # 11 Sustainable Cities and Communities Clean water means a clean and healthy body for the population. SDG# 6 Clean Water and Sanitation Provides connections to water sources to bring clean drinking water to homes, offices and commercial centers.
PVC THERMAL ROOFING	 SDG# 11 Sustainable Cities and Communities Provides a safe and quality electrical system to homes and offices. SDG# 9 Industry, Innovation and Infrastructure Source of safe electrical system to commercial, township developments and expressways.
CROWN® SEPTIC TECH	 SDG# 3 Good Health and Well Being Supply hot and cold water for medical use in the hospitals and health institutions. SDG# 6 Clean Water and Sanitation Offers comforts with clean hot and cold-water application with high pressure for home and business uses. SDG# 11 Sustainable Cities and Communities Provides a safe and quality electrical system to homes, offices, commercial and township developments.
CAC BATH ESSENTIALS	 DG# 3 Good Health and Well Being / SDG# 6 Clean Water and Sanitation Provides comfort for daily use and proper waste disposal for hygienic purposes. SDG# 11 Sustainable Cities and Communities Helps people to dispose waste properly preventing contamination of their environment and reducing health risk to themselves and their communities.

World Class CROWN products were carefully manufactured following international and national standards. CROWN products deliver sustainable solutions to the plastic manufacturing industry and to construction and infrastructure industry.

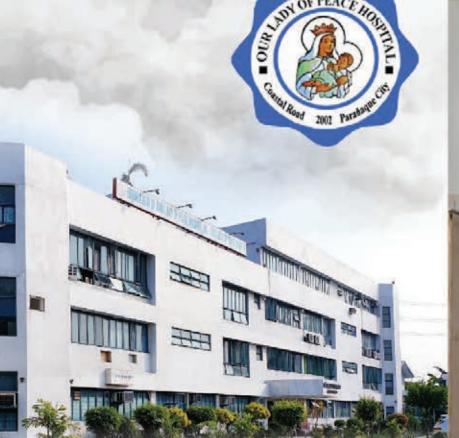
PVC pipe has very minimal environmental impact due to its corrosion resistance, enabling long-term durability. PVC pipes are the ideal pipes for long-term use for infrastructure as it is long-lasting. PVC pipe is considered to be one of the sustainable products as it requires fewer resources and less energy to manufacture and incurs minimal waste during production that addresses SDG 12: Responsible Consumption and Production.

PVC products are non-toxic unless incinerated and they also contribute to energy efficiency through low thermal conductivity. PVC is long-lasting and recyclable to other usable items. PVC ensures sustainable consumption and production.

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COMMUNITY SUPPORTS





In 2022, CROWN supported the group of UP-Interior Design students and its organizing team UP Banyuhay to a meaningful project entitled "Banyuhay: Disenyo Tungo Sa Mga Ngiting Nagbibigay Kulay".

CROWN provided different types of PVC Pipes that were used in renovating the 2nd floor of the hospital. The hospital's uPVC Pipes and Fittings requirements were turned over to UP BANYUHAY which will be given to the beneficiary hospital, to help them in providing quality healthcare services to the indigent and underprivileged communities or individuals.

The chosen beneficiary is the Our Lady of Peace Hospital, a charity hospital in Paranaque City founded by The Foundation of Our Lady of Peace Mission Inc. with the primary objective of expanding its services to assist the people who cannot afford to pay for their healthcare services. The project aims to renovate and give an appropriately designed healing space of the hospital that mainly serves children and operates cleft lips and palates for free. Our Lady of Peace Hospital 100-bed capacity hospital is dedicated to providing indigent and underprivileged communities or individuals affordable access to quality healthcare services.



We worked with different organizations like Tzu Chi Foundation, Ormoc Chamber of Commerce, Keitech Educational Foundation, Heritage Foundation and Kaisa Para sa Kalikasan to reach Bohol, Bacolod and the town of San Ricardo, the farthest part of the Southern Leyte Island in Visaya to support our fellow Filipinos affected by typhoons and floods. The company donated pipes and roofing for the rehabilitation of houses and centers to deliver sustainable solutions in the community.





In celebration of Children's month last November, CROWN employees donated blood to the National Children's Hospital. The collection of safe and non-renumerated blood will benefit the hematology patients who need blood transfusions and those who will undergo surgeries. Blood donation advocacy will help save lives and has a good effect on the donor too. People who donate bloods will help reduce the risk of heart disease, help prevents cancer, and will improve mental health and formation of new blood cells.

It is also a wellness activity for our employees as donating blood will improve emotional health, reducing stress, weight loss, improves skin aging, prevents Hemochromatosis and the risk of developing cancer according to the health officers of the National Children's Hospital. It gained participatory enthusiasm from CROWN employees for the next blood donation schedule.

CROWN Asia Chemicals Corporation aids program that focuses access to education and the improvement of the quality of education. The company reach out for a partnership that will encourage development and cooperation between the private and the education sector. This year, CROWN selected the biggest elementary school in its community in Guiguinto, Bulacan to support their projects.

The CROWN Family, composed of its employees and management, supported the Guiguinto Central School's Brigada Eskwela with the theme Tugon sa Hamon ng Ligtas na Balik-Aral ran from August 1- 26, 2022. The CROWN employee volunteers helped clean, paint, and arrange the classrooms in preparation for the new normal and the opening of classes. By working with the other helpers and teachers, the employee volunteers were inspired by the social change of helping the community thru Brigada Eskwela. This activity prepares the learning place to be clean and safe both for the students and parents before the face-to-face class this school year.

As the company supports people-oriented activities to embrace a positive attitude and culture towards life and work, our employees were able to embrace the value of nurturing. Helping other people can bring a sense of purpose and self-satisfaction, and motivates employees to be helpful of one another. Nurturing our employees, as one of the core values of the company, helps to develop their full potential at work and as responsible citizens.

This volunteer program aims to increase employee engagement in company activities and community support. Thru this activity, the company was able to inculcate our CROWN values of NURTURING not just to our employees but to our community as well. Education does not just happen in the four corners of the classrooms; it expands in the workplace and in the community we serve.





CROWN RECRUITMENT

CROWN prioritizes applicants from its local community Guiguinto residents and nearby cities and municipalities in the province of Bulacan supporting its local mandate of providing jobs near their homes. CROWN recruitment team joins job fairs to meet with potential employees at the venue near them to reduce their application expenses.

More than 50% of the employees in the Guiguinto Plant are residents of Bulacan. Working close to home brings many advantages with it. Traffic jams are getting worse and worse in the metro and commuting from work to home is harder and longer. Employees near home use their bicycles to go to work. This means lesser transportation expenses for the employees.

Saving time is one of the important factors where employees will have more time to rest or to have a work life balance. Being near their home gave them more meaningful moments with their families.

For those hired from other provinces, the company provides lodging for free including electricity and water. Such an amount will be used to their own savings or allowance for their families.





CROWN Family is our team's name composed of the employees, executive officers, board members, directors, and suppliers interlinked together to provide quality products to the other members of the family our partners, contractors, developers, dealers, distributors, and customers.

Our CROWN Family is continuously growing from our employees to suppliers, partners in construction industries, sub-contractors, contractors, developers, and professional groups. We provide a support system to help business dealers grow, partners and professional groups enjoy business with camaraderie and our employees attain career growth. We connect thru seamless digital communication to ensure timely responses and actions.

We focus on how to serve our community better.

We do believe as a family, we can do better.

CROWN EMPLOYEES



CROWN HIRING

Last year, additional 41 employees joined the CROWN Family. New leaders and young blood joined CROWN as they believe in the company's good governance and are hopeful of having a progressive career path in the company. To meet expectations, the Hiring and Selection Process is properly implemented with extensive orientation from company policies to employee benefits included in the offer sheet for qualified applicants for them to fully understand the company standards and its benefits. With their valuable experiences, we believe they will bring new insights and elevate work standards in the company.

CROWN DIGITAL LEARNING SERIES

As we are growing and to reach all our employees from Bulacan to Cebu, to Davao, and sales teams in the fields, we established a digital community using Viber and messenger as means of communication and give insights and weekly motivational quotes.

This becomes a learning avenue to inspire and encourage the employee community to read and watch inspirational videos and movies that will guide them to be better leaders and better persons. Thru these digital connections, we provide learning materials that will help them to improve work performance. Some suggested movies being shared are good for movie time to bond with their family members, work colleagues and friends.



CROWN CAREER GROWTH PROMOTION



The company conducts employee performance evaluations twice a year to determine the needed training and to recognize working employees. Every year, the management recognizes the employee's effort and the person's contribution to the company thru promotion. Employee promotions involve an increase in salary, a more senior job title, and will be entrusted with high-level responsibilities.

In 2022, 20% employees were promoted to next-level positions, or equivalent to a total of 47 employees, namely 22 employees promoted to the managerial level, 12 to the supervisory level, and 13 to higher rank and file level. With recognition, employees were motivated to exude good work ethics and to improve their attitude towards their job.



CROWN AWARDS DAY

CROWN Awards day and Anniversary celebration. This year, the company recognized employee loyalty with a certificate of appreciation and monetary rewards. 25% of the total employees or 60 employees received loyalty cash awards for staying with the company for more than 5 years, 10 years, 15 years, 20 years, and 25 years.

The families of the Loyalty Awardees were also invited to the recognition day to celebrate with the rest of the company. After the morning celebration, employees were treated to afternoon fun at the resort's pool area. This served as a team bonding activity for the whole CROWN Family.





CROWN CHRISTMAS CELEBRATION

Last December 23, the CROWN Family had a simple yet meaningful Christmas together at the Guiguinto Plant. Talented employees showcased their prowess in singing and raffle prizes were drawn in between the performances. Employees received Christmas gifts and went home for a long Christmas weekend.



CROWN® EMPLOYEE HEALTH AND WELLNESS



PHYSICAL AND MENTAL

CROWN employees enjoy health care under HMO fully paid by the company. Health services include annual physical medical examinations and laboratory tests, medical care services inclusive of optical, dental, outpatient and inpatient surgical procedures. The Human Resources Department (HR) has dedicated nurse and personnel to assist in procedural and documentary requirements.



FINANCIAL SECURITY

Employees receive competitive compensation in timely manner. Annual Retirement plan premiums are still fully paid by the company. Salary loan is available for important needs such as medical and academic needs of employee's immediate family members. Employees likewise enjoy encashable unused vacation and sick leaves.



EMOTIONAL

The HR department conducts coaching session to listen to employees' concern and questions. This helps the employees grow as a person and be able to manage their own emotions during tough situations.



SOCIAL

Through company activities, employees interact and communicate with other department employees to improve their engagement skills, open communication channels and exchange ideas.



ENVIRONMENTAL

CROWN encourage employee with eco-friendly practices like reusing paper for alternative purposes to reduce paper waste, to joining cleaning activities of the community such as in the schools and barangay premises.



INTELLECTUAL

Trainings are being provided to enhance technical skills. Cross trainings within the department is encouraged to enable employees to gain additional knowledge.



SAFE WORK PLACE

CROWN enforce anti-drug and sexual harassment policies. Clearly defined ingress and egress procedures are in place to prevent unwanted situation. Proper conduct and decorum is practiced to maintain a pleasant work atmosphere for all.





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CROWN Modern Trade is continuously growing as we keep on working with different Home Depots to put CROWN in strategic locations from the metro cities to the far island of the Philippine Archipelago.

We have a strong partnership with AllHome which has 45 stores nationwide. In 2022 last quarter they open their latest branch in Mintal, Davao Del Sur which makes CROWN present in ALL Home Branches from Luzon, Visayas to Mindanao.

Our CROWN Modern Trade team is actively participating in our partner's sales campaign, opening day, and by providing promotional banners to ensure we are visible and accessible to our customers.





One of our modern trade partners is the Robinsons Builders which was recently merged with Handyman has 8 branches in the Visayas area. Once the turnover was done CROWN is looking forward to being present in more branches of Handyman.

CROWN's world-class products are now available at our new partner - the RHC Builders Warehouse which has 7 branches located in Tagaytay, Dau, Novaliches, Guiguinto, Malolos, and San Jose Del Monte and the latest one that opened is in Dasmarinas, Cavite.



MARKETING SUPPORT FOR DEALERS

CROWN Pipes aims to help our dealers and to advertise our CROWN brand across the Philippines by providing store signages and banners to hardware stores and promoting their location online so more customers will be reached within their area.

CROWN, a trusted business partner, is continuously growing as we have reached more than a thousand partners across the country.

CROWN CARAVAN



CROWN Pipes aims to reach our dealers and industry partners nationwide. With this, CROWN Pipes conduct CROWN Caravan quarterly. The main purpose of this gathering is to communicate and to have strong relation with our partners. The activities include product presentations, we provide raffle items. We introduce professional groups to our dealers so they will know where they can find CROWN Pipes brand in their area.



CROWN PROFESSIONAL PARTNERS

New projects have been closed for the year. Crown Asia Chemicals Corp.'s CROWN Pipes will be used for the landmark Metro Manila Subway, the first underground railway in the Philippines. CROWN Pipes are also part of the North Railway Commuter System (NRCS), Skyway-3, NLEX and SLEX Connector Road, Wawa Water Resources. Major completed projects are the NAIA Expressways, Calax, MRT 7, TPLEX, New Clark International Airport.



One of the largest construction companies in Japan visited the CROWN Pipes warehouse in Guiguinto, Bulacan last September 12, 2022



Department of Trade and Industry conducted an audit and plant visit last September 14-15, 2022 at Guiguinto Bulacan Plant for recertification of CROWN Pipes products.

Technical / Product Presentation

CROWN Pipes performs product presentations in order to give prospective customers information about the company and our products. The presenter is well equipped with knowledge and facts about the items offered in order to leave a good impression that may result in new partnerships and sales.



HDPE Product Presentation



PPR Product Presentation



Adamson University 9th President - Golf Cup Tournament 2022

Sponsorship activities with Professional Groups

CROWN Pipes sponsors various golf tournaments, monthly meetings, chapter anniversaries, and other milestone events of the groups and associations we collaborate with. This is one way to showcase the company and the products we offer and to maintain camaraderie and business relationships.

Electrical Engineers vs Mechanical Engineers Dual Meet 2022



Philippine Society of Mechanical - Engineers Golf Tournament 2022







Electrical Engineers Monthly Golf
-Tournament 2022



Architect Bowling Club Weekly
-Tournament 2022



Adamson University 9th President - Golf Cup Tournament 2022



UAP Davao Supplier Summit 2022



UAP Manila Metro Chapter General Membership Meeting



UAP Zambales - Olongapo - Chapter Induction Ceremony





Crown Asia Chemicals Corporation (CACC) created its own Data Privacy policies and procedures with Republic Act No. 10173 or the Data Privacy Act of 2012 (DPA and its Implementing Rules and Regulations (IRR) and other relevant policies, including the issuance of the National Privacy Commission (NPC). The company data privacy was crafted to enhance compliance under the corporate environment.

These data privacy policies and procedures apply to all employees, applicants, clients, suppliers and customers. Each right of the data provider will be upheld under this statement on Data Privacy Policy by the company's authorized representative. The company respects and upholds data privacy rights and ensures that all personal data collected are processed pursuant to the general principles of transparency, legitimate purposes, and proportionality as stated in the DPA.

All employees are made aware of the consequences of breaching the Data Privacy Law as a responsible corporate citizen, the company takes seriously to ensure compliance thru the company's data privacy officer.

Below are the Data Privacy Policies:

GL-ITD-023 - Data Privacy Policy - Clients & Customers

GL-ITD-024 - Data Privacy Policy - Vendors & Suppliers

GL-ITD-022 - Data Privacy Policy - Employees & Applicants



IT INFRASTRUCTURE SECURITY

T o enhance and improve IT operations, infrastructure and database security, IT Policies, Guidelines are in place. To secure the database, files, and information stored, IT security sets a firewall for the internet and antivirus for the endpoint. Files and folders are encrypted to protect, all important files.

IT infrastructure security is one of the major IT measures being observed in the company. It includes protecting personnel data, hardware, software, networks, and data from physical actions and events that could cause serious loss or damage to the organization.

The company main servers are protected against unauthorized physical intrusion, fire, leaks, and temperature swing. Daily inspections are being implemented and monitoring reports are submitted regularly to detect any possible issues of concern.

Different data base storage sites are maintained, with reliable equipment, devices and registered licenses. Auxiliary gadgets are likewise in use to extend storage capacity and to maintain audit trail.

In tandem with annual financial audit, the company external auditors, also conduct IT audit to ensure the integrity of the financial and operational systems. This has been in place continuously year to year.

CROWN INFORMATION AND TECHNOLOGY POLICIES

The listed policies below cover the CACC IT Policies and Procedures. The IT Policies and Procedures objectives are to disseminate IT responsibilities, policies, and procedural controls to all departments and for staff application and guidance. This is to create and sustain enabling environment that provides effective and efficient IT solutions for the whole company, including data privacy, hardware, software, networks, and IT standards and usage policies. IT Policies have been established in compliance with the organizational policies and mandates and industry best practices.

GL-ITD-001 - IT Policy

GL-ITD-002 - IT Organization

GL-ITD-003 - Device Naming Convention

GL-ITD-004 - Preventive Maintenance

GL-ITD-005 - Department Monthly Backup

GL-ITD-006 - Malware Management

GL-ITD-007 - TRF and Job Request Procedure

GL-ITD-008 - IT Device Request and Acquisition

GL-ITD-009 - User Account Management

GL-ITD-010 - Computer Reformatting

GL-ITD-011 - Network Monitoring

GL-ITD-012 - Synology NAS Infra

GL-ITD-013 - Change Control Process

GL-ITD-014 - Access Request Policy

GL-ITD-015 - Incident & Problem Management Process

GL-ITD-016 - Backup Policy

GL-ITD-017 - WIFI Infrastructure

GL-ITD-018 - Zoom Cloud Meeting

GL-ITD-019 - SAP Contingency Workplan

GL-ITD-020 - File & Folder Encryption Policy

GL-ITD-021 - CCTV Infrastructure

GL-ITD-025 - Hard Disk Security Policy

GL-ITD-026 - Data Privacy Protection Policy

GL-ITD-027 - Data Center Security Policy



CROWN ECONOMIC PERFORMANCE



DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

Resiliency and Strength. These are the traits that Crown Asia Chemicals Corporation has once again exhibited in 2022. It showed its strength through the revenues it generated for the year amounting to P1.76B showing sales growth of 1.15%.

Revenues of the Compounds Division during the year declined by 15% generating only P621.55M. Its export sales, which is the driver of the division's business contributed only 49.5% of its total revenues. Almost all machines underwent rehabilitation causing production to decline. Such undertaking is necessary to ensure the pelletized compounds are produced based on the standards and specifications of customers.

The Company's Pipes and PPR/HDPE Divisions has shown consistent growth over the past years. They were able to establish the quality of products delivered to customers, - pvc pipes, ppr and hdpe. In 2022, additional focus was made on customer collections. Both divisions took a less aggressive approach in sales order acquisitions. Pipes and PPR/HDPE revenues still grew by 10% and 22%, respectively, inspite of a more stringent credit evaluation that was put in place to enhance cash inflows while tapping new markets and generating sales.

Roofing Division, the youngest among 4 divisions of the Company, grew its sales by 57%. Revenue contribution to company-wide sales is at 1.86%.





		REV	ENUES	PER DIV	/ISION			
DIVISION				AMOUNT (IN F	HP MILLI	ONS)		
DIVISION	FY	/2022	FY	2021	F	Y2020	F	Y2019
COMPOUNDS	PHP	621.55	PHP	732.09	PHP	570.58	PHP	826.05
PIPES		915.34		831.95		432.02		480.31
PP-R/HDPE		191.15		155.94		102.68		110.34
ROOFING		32.78		20.87		12.41		16.70
TOTAL	PHP	1,760.82	PHP	1,740.85	PHP	1,117.69	PHP	1,433.40

		REV	ENUE	S PER MA	RKET			
DIVISION				AMOUNT (IN PHP MILLIONS)				
DIVISION	F	Y2022	F	Y2021		FY2020	F	Y2019
LOCAL	PHP	1,453.60	PHP	1,248.39	PHP	750.72	PHP	951.56
EXPORT		307.22		492.45		366.97		481.84
TOTAL	PHP	1,760.82	PHP	1,740.85	PHP	1,117.69	PHP	1,433.40

During the year, the prices of major raw materials used in production declined. This favorably impacted the Company's gross profit. However, it was partly negated by the fuel cost recovery adjustment (FCRA) charged by the Company's retail electricity supplier. The FCRA is the result of the increase in coal market price. This cost increased the electricity expense incurred in production.

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED							
INDICATOR		AMOUNT (IN PHP MILLIONS)					
INDICATOR	FY2022	FY2021	FY2020	FY2019			
Direct Economic Value Generated (Revenue)	1,760.82	1,740.85	1,117.69	1,433.90			
Direct Economic Value Distributed							
Operating costs	206.31	168.34	159.98	185.10			
Employee benefits and wages	139.41	110.97	85.28	106.90			
Payment to suppliers and other operating costs	1,228.84	1,350.00	647.34	960.00			
Dividends given to stockholders	61.06	13.74	24.44	56.38			
Interest payments to loan providers Lorem Ipsum	0.67	0.47	1.32	2.41			
Taxes given to government, which includes all taxes incurred and/or paid to the government	97.22	88.02	70.29	73.01			

Crown ended 2022 with consolidated net profit after tax of Php228.90M, a slight increase of 2.05% from previous year.

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CROWN AS PARTNER IN PROGRESS

Crown has been a partner for progress as it supplies quality products to several private and public infrastructure projects such as Metro Subway, North Railway, Skyway 3, NLEX-SLEX Connector Road, and Wawa Dam, to name a few.

Crown sources most of its raw materials locally from reliable and accredited suppliers. The Company believes that by doing these, it is able to support and sustain local businesses, attracts investors and create stable jobs to many Filipinos especially post pandemic.

PROPORTION OF SPENDING ON SUPPLIERS FOR RAW MATERIALS PURCHASED								
YEAR	LOCAL	PROPORTION (%)	IMPORT	PROPORTION (%)	TOTAL			
2022	674.06	70%	291.09	30%	965.15			
2021	945,29	76%	298.90	24%	1,244.19			
2020	495.28	77%	152.06	23%	647.34			
2019	574.41	61%	373.19	39%	947.60			

CONSISTENT RETURN ON INVESTMENT

Crown is the only pvc pipes and compound manufacturing company in the country that is listed in the Philippine Stock Exhange (PSE). Over the years, the Company declares cash dividends yearly out of its surplus profit, even during pandemic years.

On March 4, 2014, the Board of Directors of the Company approved its dividend policy wherein it shall distribute to its stockholders as dividends, whether cash, property or stock, at least ten percent (10.00%) of the Company's net income after tax for the previous fiscal year, subject to the provision of sufficient funds for the implementation of the Company's business plan, operating expenses and budget, appropriation for expansion projects (as applicable), lenders' requirements, appropriate reserves and applicable laws.

ANTI-CORRUPTION

Guiding each and every officer and employee is the Crown Asia's core values. In all business dealings within and outside the company, these values must be observed.

- ommitted to integrity in generating profitable returns,
- eputation for quality, reliability, and value for money
- utstanding products that meet or exceed national and international standards,
- orld-class products that are innovative and of the latest technology, and
- urturing our employees to develop their full potential and work productively towards a common goal.

T he Company has policies and procedures that were carefully crafted to inculcate these values to every employee. This includes NO GIFT Policy which aims to instill the value of integrity and Whistleblowing to encourage any individual to disclose matters pertaining to actual and potential violations of laws and/or company policies and procedures.

As of report date, there were no incidents of corruption involving our employees, directors, or business partners.

CROWN ENVIRONMENTAL PERFORMANCE

RESOURCE MANAGEMENT

As drought and devastating flooding has affected millions and cost billions this year in our country and around the world, CROWN's environmental performance reflects how we manage the organization's impact on the natural resources be it land, air, water and ecosystems.

CROWN, a responsible manufacturer, manage and reduce its impacts related to the extraction and processing of natural resources by effective uses of energy, water, and raw materials to diminish pollution and exhaustion of our natural resources to save them for the next generation.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION

CROWN is looking for other opportunities to purchase bulk sales of diesel and gasoline to avoid an increase in production cost due to fluctuations in fuel prices. We have to ensure the availability of diesel and gasoline since machines and equipment which include production facilities, delivery and company vehicles, consume gasoline and fuel.

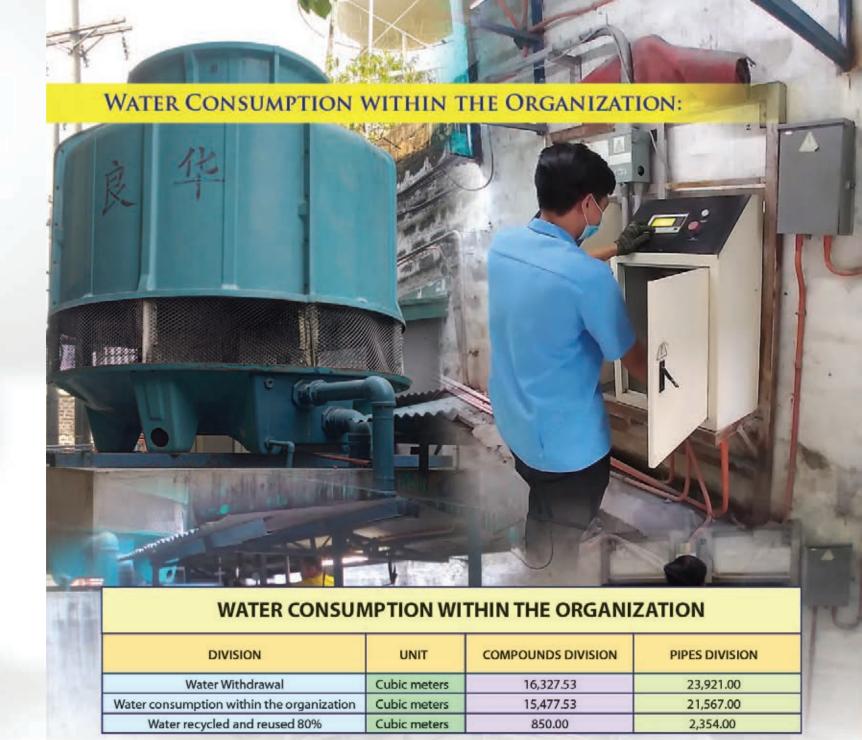
CROWN implements efficient energy consumption thru regular machine and equipment checkups and maintenance to ensure they will function properly to avoid too much consumption of energy. Regular daily change of adjunct mesh machine parts is being done to ensure unnecessary higher electricity and/or lubricant consumption. CROWN used LED lights in all offices and plants to consume less electricity.

CROWN uses its PVC Thermal Roofings to make a cooler workplace, lessening dependence on cooling equipment inside the offices and this also means cooler outdoor covered and conducive works areas.

CROWN has dedicated support operating units namely its Engineering and Maintenance Department and the Motorpool Department both manned with licensed engineers and experienced practitioners who implement efficient energy consumption programs.

Tools and maintenance supplies are in stock thru rationale planning and adequately monitored by the company asset management department and/or logistics as the case may be.

ENERGY CONSUMPTION WITH ORGANIZATION								
DIVISION	UNIT	COMPOUNDS DIVISION	PIPES DIVISION					
Gasoline	Liters	2,151	2,814					
Diesel	Liters	23,493.87	31,945.69					
Electricity	KW-hour	1,877,526.00	1,935,585.12					



Water and electricity is one of the core management anchors in on-site maintenance, preventive maintenance, and recycling.

CROWN practices the recycling of wastewater for chiller usage for our machine operations. To conserve water, the production team in our plants regularly checked the machines and water pipes for water leaks to lessen water wastage.

CROWN manufacturing plants have a cooling system to ensure machines do not overheat. The cooling system partly uses waste water. The cooling system is being checked regularly to lessen water wastage.

CROWN complies with environment management regulating laws and requirements for safety, proper sanitation, pollution, and waste disposal.

Water generated from production and work routines is properly disposed.

EFFLUENTS

	EFFI	LUENT		
TYPE	TYPE UNIT COM		PIPES DIVISION/HDPE/PP-R	
Total volume of water discharge	Cubic Meters	681.364 / Month	1852.9/month	
Percent of wastewater recycled	Percentage	80%	80%	

SOLID WASTE GENERATED

SOLID WASTE GENERATED						
TYPE	UNIT	COMPOUNDS DIVISION	PIPES DIVISION/HDPE/PP-R			
Reusable	Kilogram	440	600			
Recyclable	Kilogram	5,400	5,940			
Composted	Kilogram	12,000	24,000			
Incinerated	Kilogram	0	0			
Residuals / Landfilled	Kilogram	16,000 28,000				
Total	Kilogram	33,400	57,940			

CROWN ensures we do not emit toxic waste. PVC itself is not toxic for both raw materials and finished products unless incinerated. Thus, burning of PVC fall downs is strictly prohibited by policy. They are instead recycled it into more sustainable usable items.

Production of PVC Compounds and PVC Pipes, PPR & HDPE pipes do not produce toxic wastes.

AIRPOLLUTANTS

AIRPOLLUTANTS					
ТҮРЕ	UNIT	COMPOUNDS DIVISION	PIPES DIVISION/HDPE/PP-R		
Particulate matter (PM)	Kilogram	1.3	2.3		

The transportation vehicles are being managed and monitored by the Asset Management and Motorpool Department to ensure CROWN mitigates air pollutants by maintaining its fleet of vehicles, trucks, and shuttle services with annual checkups, repairs, and maintenance.

ECOSYSTEMS AND BIODIVERSITY

The company owns plants and offices that are located far from a body of water or forest/mountains where plants, animals, insects, and microorganisms thrive, or near residential areas, thereby, do not pose any adverse effects to its surrounding community, any endangered species, or any harm to the environment.

ENVIRONMENTAL COMPLIANCE

 \overline{F} or 33 years, CROWN Asia Chemicals Corporation has been consistent with protecting the environment by adhering to the following laws.



Establishing an Environmental Impact Statement System

This Presidential Decree is in pursuit of a comprehensive and integrated environmental protection program that necessitates the establishment and institutionalization of a system, whereby existing exigencies of socioeconomic undertakings are reconciled with the requirements of the environmental system.

Republic Act No. 6989:

Toxic, Hazardous and Nuclear Waste Control Act of 1990

This is being carried out to control, supervise and regulate activities on toxic chemicals and hazardous waste.

Republic Act No. 8749, Philippine Clean Air Act

This covers a comprehensive air quality management policy and program to achieve and maintain healthy air for all Filipinos. This outlines the use of water for domestic purposes, that is, the utilization of water for drinking, washing, bathing, and cooking. The act provides for the abatement and control of pollution from land-based sources, and lays down water quality standards and regulations.



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m P}_{
m rovides}$ the necessary policy towards institutional mechanisms and mandates the local government units (LGUs) to achieve 25% of waste reduction through establishing integrated solid waste management plans. Penalizes open burning of wastes by mass and direct exposure to fire.

Republic Act No. 9514,

Comprehensive Fire Code of the Philippines.

It is the policy of the State to ensure public safety, promote economic development through the prevention and suppression of all kinds, of destructive fires, and promote the professionalization of the fire service. The State shall enforce all laws, rules, and regulations to ensure adherence to standard fire prevention and safety measures.

OTHER ECO-FRIENDLY PRACTICES

CROWN practices eco-friendly activities such as:

- 1. Reusing paper for alternative purposes to reduce paper waste:
- Re-purposing of production fall downs for other products and recycle into different sustainable items for low-impact use.
- Resource recovery thru more efficient production management by following proper production procedure.
- Reduction energy consumption by changing all lightings, whether in the plants, warehouses and offices with LED lights.
- 5. Usage of its CROWN PVC Thermal Roofing that reduces required additional lighting and cooling facilities that delivers higher solar reflectance and higher thermal emittance.



ATTRITION RATE: 23%

*(Number of New Hires -Number of Turnover)
Average of total number of employees in 2021
and total number of employees in 2022

EMPLOYEE MANAGEMENT

EMPLOYEE BENEFITS	Percentage of female employees who availed for the year	Percentage of male employees who availed for the year	
SSS	13 %	17 %	
PHILHEALTH	4 %	2 %	
PAG-IBIG	6 %	30 %	
PARENTAL LEAVES	0 %	0 %	
VACATION LEAVES	23 %	48 %	
SICK LEAVES	23 %	48 %	
MEDICAL BENEFITS (aside from PHILHEATH) HMO	30 %	70 %	
HOUSING ASSISTANCE (aside from PAG-IBIG) STAFFHOUSE	0.42 %	5.49 %	
RETIREMENT FUND (aside from SSS)	0 %	0,42 %	
FURTHER EDUCATION SUPPORT	0 %	0 %	
COMPANY STOCK OPTIONS	n/a	n/a	
TELECOMMUTING	n/a	n/a	
FLEXIBLE-WORKING HOURS	n/a	n/a	
14TH MONTH PAY (Others)	8 %	2 %	

CROWN complies with government rules and regulations with regard to recruitment, employment, mandatory benefits, and retirement plans. CROWN ensures that individual and collective rights are not violated. The company officers and employees are selected, engaged, and compensated based on qualification and performance and treated fairly, and accorded with respect and dignity. The company provides opportunities for career advancement based on performance and qualifications criteria. The company ensures to provide a safe, productive, and conducive workplace and complies with health and safety protocol and environmental laws.

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DISCLOSURE	QUANTITY	UNITS	
Total training hours provided to employees	1,300		
a. Female employees	788	hours	
b. Male employees	512	hours	
Average training hours provided to employees	5		
a. Female employees	11	hours/employee	
b. Male employees	3	hours/employee	

CROWN provides training and development opportunities for employees to upgrade their technical knowledge and professional skills. The company uses blended learning opportunities where virtual and face to face seminars were complemented with manager coaching and hands-on training, especially with new hires for efficient transfer of knowledge.

TECHNICAL TRAININGS

Employees regularly attend seminars and in-house training sessions based on the technical skills they need. This is to develop operating skills of our engineers, operators and plant managers. They will be skilled in the implementation and maintenance of the machines and operation processes.



ISO AWARENESS SEMINAR

To ensure we adhere to ISO, we had a yearly ISO awareness seminar, and training for the safe processing and keeping of information, and we follow the Quality Management System to maintain its integrity as a manufacturer of world-class products. Last December we conducted an ISO Awareness seminar attended by 51 employees (23% vs total number of employees) followed by the Internal Quality Audit Seminar. 36 employees (17% vs total number of employees) passed the 3-day trainings and now certified Internal Quality Audit.



The Board and Management recognized and initiated succession planning many years ago. This led to the re-engineering of the corporate organization from corporate offices to divisional structures, incorporating policies, systems, procedures, twice-a-year performance evaluation, and career advancement with commensurate financial rewards.

As of December 2022, the company listed 34 or 68% male and 32% female managerial ranks with gender equality and diversity.

GENDER	ENDER		AGE GROUP				PERCENTAGE
GENDER	30 & BELOW	31 - 40	41 - 50	51 - 60	61 & UP	TOTAL	PER GENDER
MALE	2	10	9	1	1	23	68%
FEMALE	0	3	6	2	0	11	32%
SUBTOTAL	2	13	15	3	1	34	100%

There were 12 employees promoted in 2022 to supervisory rank adding to the total 19 supervisors with 42% male and 58% female.

GENDER			TOTAL				PERCENTAGE	
GENDEN	30 & BELOW	31 - 40	41 - 50	51 - 60	61 & UP	IOIAL	PER GENDER	
MALE	2	1	3	2	0	8	42%	
FEMALE	7	3	1	0	0	11	58%	
SUBTOTAL	9	4	4	2	0	19	100%	

In order to better equip the newly promoted managers and supervisors, they will undergo basic managerial/or supervisory skills as well as mentoring and coaching. There will also be leadership training for rank-and-file employees to prepare them for potential advancement in the coming years.

As the company moves towards Total Quality Management (TQM) all managers and supervisors need to be accurately attained to best practices in quality management.



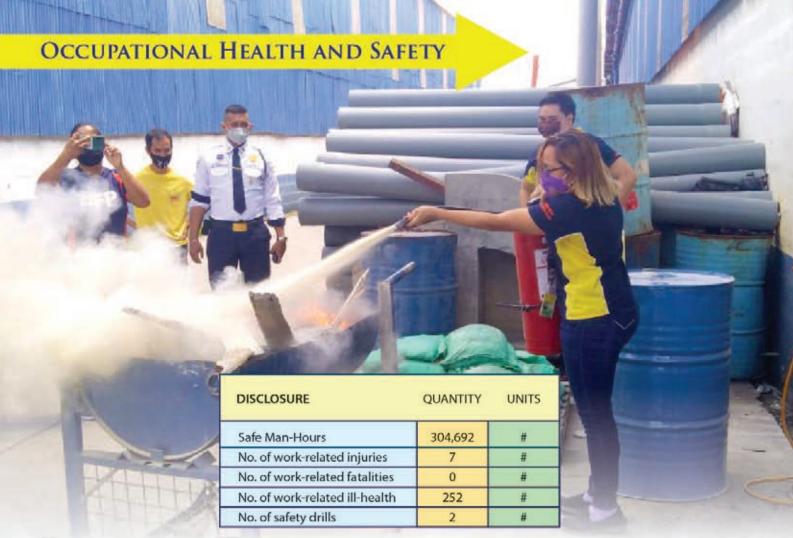


DISCLOSURE	QUANTITY	UNITS
Percentage of female workers in the workforce	30	%
Percentage of male workers in the workforce	70	%
Number of employees from indigenous communities and/or vulnerable sector*	4	#



CROWN ensures that we listen to the individual and collective rights of the employees thru proper consultations and meetings. This is to strengthen trust from the employees, promote cooperation and increase productivity in the workplace, and assure the security of tenure. This also aims to provide equal work opportunity regardless of gender or race and regulate relations between employees and employers.

Number of consultations conducted with employees concerning employee-related policies



CROWN ensures to implement the Occupational Safety and Health (OSH) for our employees with all aspects of health and safety in the workplace focusing on primary prevention of hazards aiming to prevent accidents and harm to people from work-related activities.

Safety seminars and drills are being conducted for the employees to acquire basic knowledge on the nature and behavior of fire and to be familiar with the proper response procedures during fire emergencies and to increase awareness of fire safety and be more prepared in case of a fire incident.

To ensure our employees are healthy, there is a yearly annual physical check-up. The annual physical typically involves an exam by a doctor along with bloodwork or other tests like checking routine measurements such as height, weight, and blood pressure. Our health insurance includes dental check and eyes check-up, surgery procedure, medical consultations and drug tests.

LABOR LAWS AND HUMAN RIGHTS

DISCLOSURE	QUANTITY	UNITS
No. of legal actions or employee grievances involving forced or child labor	0	#

 F_{rom} 2019 up to now, CROWN is pleased to announce that there were no legal actions or employee grievances involving forced labor, child labor, or violations of human rights.



CROWN'S SIGNIFICANT IMPACT ON ITS COMMUNITY

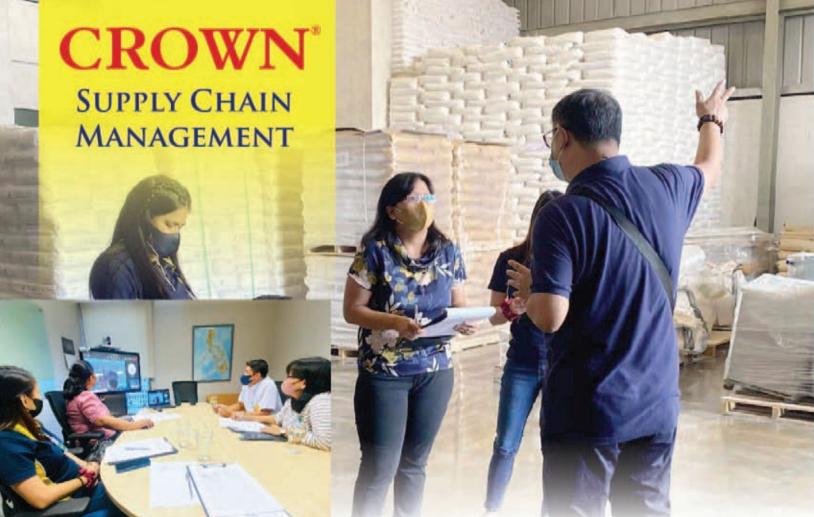
CROWN opens its door to help and support its communities. It reaches to help build a better nation and to deliver sustainable solutions. CROWN supported other organizations' events and projects that support different communities and advocacies.

EDUCATION



*Tie up with different foundations for the product donations for our fellow Filipinos affected by the storm Odette
Tzu Chi Foundation (Philippines), Ormoc Chamber of Commerce & Keitech Foundation, and Kaisa Para sa Kalikasan Foundation.





It is very important for the company to have quality suppliers to prevent issues with supplies of raw materials, machinery spare parts, and stocks. We adopt active streamlining of a business's supply-side activities in engaging our suppliers to gain competitive procurement advantage in the marketplace. This redounds to better product value for our customers.

CROWN suppliers are expected to conduct the business transaction in the highest ethical manner. CROWN discourages unethical practices. All suppliers are expected to comply with the company's business practices and any violation of the policy will result in the deletion of suppliers from the CROWN list of APPROVED SUPPLIERS.

The company ensures that there are regular supplier meetings and quarterly audits in compliance with both local and international standards. The company's purchasing team works in developing trust and rapport with the suppliers to secure favorable payment terms, get quality raw materials, and on-time delivery of ordered items.

PROCUREMENT POLICIES

The company has its Corporate Purchase Team which follow documented policies and procedures. All potential suppliers are required to submit accreditation papers, submit their respective product samples for testing and evaluation. All purchase requisitions follow certain procedures to ensure their necessity and reasonable after which the team has to secure at least three (3) suppliers' proposal which are carefully evaluated before seeking approval to issue final purchase orders. It is made clear to suppliers beforehand that they should submit straightforward proposals to avoid unnecessary waste of time and effort in negotiation. This is aligned with CROWN core values of integrity.

CROWN®

PRODUCTION MANAGEMENT

CROWN has integrated digital process systems that synthesized sales requirements, inventory list, raw materials and translates to manpower scheduling, and identifying the machinery to deploy to achieve delivery goals.

The Production Team ensures that the quality procedures are followed and observes efficient use of power to generate higher productivity. Close coordination is in place with the Warehouse Team to ensure specified regularity of transfer of raw materials and finished goods, to and from, the warehouse.

The company guarantees that the production team follows the policies and procedure sets in the production of its products in accordance with international and local standards such as the PNS, BPS, and ASTM. The company Pipe and Compounds Divisions are ISO 9001:2015 Certified.









© CROWN COMPOUNDS

YOUR PREMIUM QUALITY COMPOUNDS







A good warehouse management process helps facilitate daily inbound and outbound of the products, controlling the warehouse resources. Proper storing that will helps to monitor inventory and protecting its value. The storage location management is part of the whole warehouse management system together with the material flow control, documentation in the process.

A convenient location, proper stocking, and documentation minimizes human error and inventory losses. To mitigate risk, the CROWN Warehouse team started the trial run of implementing the Warehouse Location Monitoring System. This is to ensure that each unit of inventory and flow throughout the warehouse can be monitored in its end-to-end transactions. The trial run was successful and the team implemented the same process with our stock-keeping units on daily basis.

With this process, the pull-out of items for delivery going to logistics are speedier and properly documented. This enables production planning to derive even better results and determining raw material requirements.



 $E {\it fficient distribution is exemplified by goods being delivered} \\ {\it where and when our customers' needs them.} \\ {\it Customer satisfaction is major priority.} \\$

To address the needs of our customers and to deliver our quality products on time, the Logistics Team continuously improve its process and as needed, secure logistics partners to meet the growing demands of our regular customers and new clients. This movement of working with third party was able to meet delivery targets set and lesser customer follow ups on delivery time and dates.

As mandated in the company quality manual, all products must be transported in good condition and at the specified time by the customers. Daily monitoring is being done by the logistics team from proper loading of products to truck services to recording and necessary document needed was secured before the dispatched of the delivery vehicles. Logistics Team coordinates closely with sales the Sales Administration Team who are in direct communications with our customers.

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CROWN CUSTOMER MANAGEMENT

CROWN Sales and Marketing team improves customer service relationships, assists in customer retention, and drives sales growth. The team uses digital technologies to create seamless communication with our customers using digital assets from Viber to social media accounts and websites to verbal and written communication.

The Sales administration teams of the Compounds, Pipes and Roofing Divisions manage all administrative concerns and delivery. They coordinated customers' complaints and concerns to other departments like the warehouse office for the availability of the items and the logistic team for the delivery to address customer concerns immediately. They ensure all documentation is done and delivery is on time to satisfy the customers' needs. CROWN delivery turnaround time for Metro Manila areas is 2 to 3 days while 7 days for Provincial areas.

Our Sales administration team of Compounds, Roofing, and Pipes Divisions manage customers' orders, and concerns, including maintaining a productive relationships with them, addressing their needs, guiding them during plant visits, and answering their questions with regular store or office visits.

Sales administration conducts a twice a year survey to determine customers perception towards CROWN. CROWN customer relationship management is a combination of practices, strategies, and technologies that we use to manage and analyze customer interactions and gather marketing leads that will be used for future references. Thru these efforts, our 2022 year-end customer survey rating is 98.66% ranging across product quality and customer service satisfaction.

CUSTOMER SERVICE

As CROWN is the company, it is also our product brand, trademarked with the Intellectual Property Office (IPO) of the Department of Trade and Industry.

The sales group has marketing, business development and project officers who conduct product presentations to show CROWN's product qualities and functionalities to developers, contractors and designers. While the Field Sales Representatives provides customer engagements with dealers, wholesalers and distributors by securing customer information and application for credit.

Dealers, wholesalers and distributors' applications are processed by the Credit and Collection (C&C) team for evaluation of credit viability. C&C also conducts credit checks prior to giving go signal to proceed with deliveries.

As a rule, the sales administration team observe an ideal three (3) day turnaround time in coordination with warehouse and logistics teams.



SUSTAINABILITY FOR STAKEHOLDERS

EMPLOYEES

- Employee Management
 - · Career Planing
 - · Performance Evaluation
 - Merit Promotion
- Employee Wellness

ENVIRONMENT

· No pollutant

Recycling

COMMUNITIES

Responding to Calamities Observance of Safety Protocol

· Environmental Compliance

Training and Development

ECONOMIC

- Export Earning
- High Local Purchases
- Jobs Generation

SUPPLIERS

Commitment to Sustained Partnerships Suppliers Diversification Suppliers' Compliance to **Environment and Regulatory**

INVESTORS

- Dividends
- Steady Stock Price Perfomance
- Governance and Transparency

CUSTOMERS

- · Sustained Commitment to Quality
- · Sales and Client Servicing

- · Value Stock
- · Compliance and Disclosure

- Product Deliveries
- · Compliance with Pandemic Protocol

- · Support Team Dedicated to designated Costumer Groups

CROWN, Our Legacy

CROWN goes beyond the company products, and it's Environment, Social and Governance (ESG) undertakings. It is the CROWN legacy that will transcend time as partner to economic progress and development that benefits the country and its population for generations to come.

Thru mindfulness to nurture our environment, and social responsibilities coupled with best governance practices, Crown will sustain and grow in strength for all its stakeholders.

On January 20, 2023, CROWN received its first Golden Arrow Award.

Thank you.



CROWN WE SUPPORT PROGRESS & ECONOMIC GROWTH

CROWN Pipes will be used with the construction of the first underground railway in the Philippines - the Metro Manila Subway. This 33-kilometer Subway landmark in Metro Manila will run from Valenzuela City up to the Ninoy Aquino International Airport (NAIA), across seventeen stations that are strategically located from East Valenzuela to NAIA Terminal 3 and will connect to other mass transport lines such as LRT, MRT, bus terminals and the National Railway System. It is estimated to accommodate more than 370,000 passengers daily when it became operational in 2027.

CROWN Pipes is also a part of the 53.1-kilometer North-South Railway. The said railway is composed of 17 kilometers via duct structure with stations in Calumpit, Bulacan, and Apalit, Pampanga that will be connected with a 36.1-kilometer train line in Malolos, Bulacan to the Clark International Airport that is expected to cut travel time of less than an hour the Manila to Clark driving time.

"We presented noteworthy projects on the following pages.







HEALTH AND WELLNESS

Any country needs healthy people and the government must protect the well-being of the nation and its people. There are different improvements in the health services in the Philippines starting with renovations of old hospitals, the construction of new health facilities and medical centers. CROWN Pipes provide convenience, safety, and security to these health facilities, for their medical workers and patients.

MAKATI MEDICAL CENTER

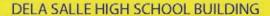


MARQUEE DOCTORS MEDICAL CENTER



EDUCATION

Private and government educational institutions continuously improve their services, offices, facilities, and buildings to provide a safe and sound place for learning for the Filipino youth. The government and private institutions work together to achieve academic excellence by improving the education system and facilities.



UP RESILIANCE CENTER



PIO DEL PILAR HIGHSCHOOL

ALTERNATIVE ENERGY With the increasing demand for clean sustainable sources of energy, solar, hydro, energy, and power plants being developed around the country. These developments make available to consumers to adopt alternative forms of power generation - from residential homes to business establishment or industries that can generate reasonable returns over time while having a positive ISABELA BIOMASS POWER PLANT impact on our environment. CITICORE SILAY SOLAR POWER PLANT





WATER SOURCES

Thru the development of water resources and irrigation, sustainable solutions to have access to clean water, communities in the farthest region, and high and remote places were able to have a drinking water source. The improvement of water supply and sanitation and proper water management can help improve the economic growth and the health of the people. CROWN PPR, HDPE, Infrablue, and Safe Blue pipes and fittings play a key part in bringing clean water resources to rural and urban areas.





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