

# BUILDING BIG IDEAS

# Better

## FOR PEOPLE & THE PLANET

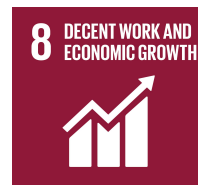


**WILCON**

**2020 SUSTAINABILITY REPORT**

Sustainability is built into the business of Wilcon. We have been in the industry for 43 years, growing from a humble 60-square-meter shop into the Philippines’ leading home improvement and construction supplies retailer. We achieved this because we understand that a sustainable and comfortable life is the dream of every Filipino family, and we made it our mission to support this aspiration.

With growth and development, dreams and aspirations get bigger. We are committed to contributing the best expertise, knowledge, resources, and skills to promote stronger, safer, and more sustainable homes and buildings for everyone as their lives improve through the long-lasting quality products and solutions we provide. We understand that as Wilcon continues to expand, we must manage our resources responsibly while sharing this growth with our different stakeholders, internal and external, and make sure these partnerships create value for everyone. Over these four decades, we have promoted the growth of our business and in effect cultivated the development and success of our employees within the company.



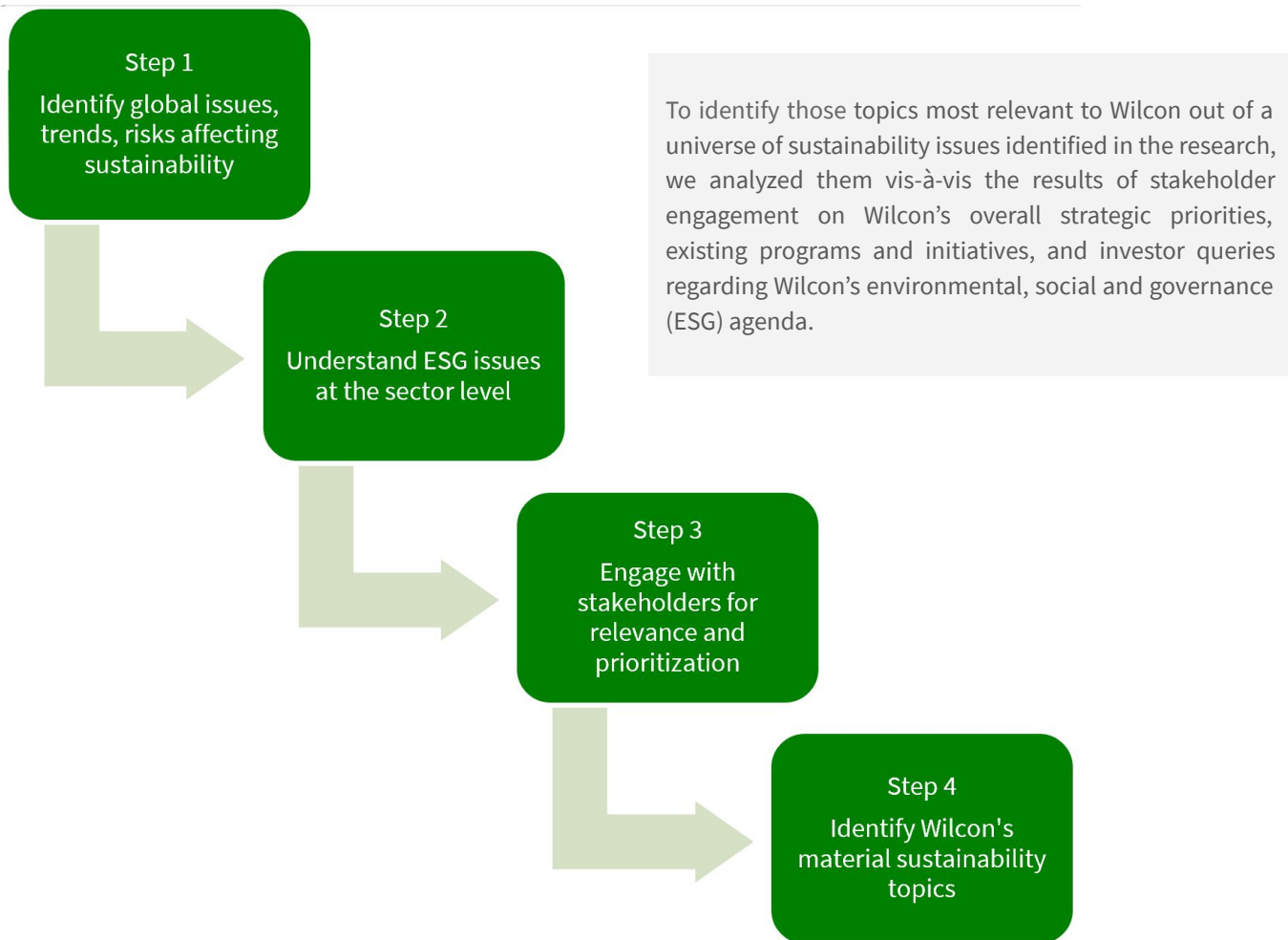
## Company Information

### Company details

Name of Organization	Wilcon Depot (PSE: WLCON)
Location of Headquarters	No. 90 E. Rodriguez Jr. Avenue, Ugong Norte, Quezon City
Location of Operations	See list of locations in Appendix A
Report Boundary: Legal entities included in this report	Wilcon Depot, Inc.
Business Model	2 retail formats – the depot store format and the home essentials store format, which are known under the trade names "Wilcon Depot" and "Wilcon Home Essentials", respectively. <small>Source: <a href="https://edge.pse.com.ph/companyInformation/form.do?cmpry_id=665">https://edge.pse.com.ph/companyInformation/form.do?cmpry_id=665</a></small>
Reporting Period	31 December 2020
Highest Ranking Person for this report	Lorraine Belo-Cincochan, President - CEO

# UNDERSTANDING OUR SUSTAINABILITY CONTEXT AND IMPACTS

The Securities and Exchange Commission’s sustainability reporting requirement among publicly listed companies is an opportunity for Wilcon to take stock of everything that we have done to deliver on our commitment and find ways to build our big ideas better. In 2019, we undertook a rigorous two-month materiality process, which now allows us to focus our energies and resources on a sustainability agenda that is strategic to the business, promotes its growth, manages impacts and minimizes risks, and contributes to sustainable development.




Being an industry leader, we wanted to have a more comprehensive view of the sustainability pressures and drivers that shape our business. To ensure this, we conducted a four-step materiality process that covered:

A desktop review of key global drivers, trends and risks identified by international development organizations, multilateral agencies, global sustainability surveys, and sustainability ratings agencies, as well as sector-specific sustainability issues, including benchmarking against the performance of three sustainability leaders in retail and real estate; and

Nine sets of stakeholder interviews, covering internal (permanent employees from different departments of the business and members of senior leadership/C-suite) and external stakeholders (suppliers of varying business size and nature of operations) in terms of their relevant issues with, impacts of, and expectations from Wilcon.

# Our Material ESG Topics and Management Actions

<b>Business expansion and creating shared value</b>	<b>Impacts of climate change on business performance</b>	<b>Impacts on local communities</b> (job creation, CSR, infrastructure development)	<b>Responsible sourcing</b>	<b>ECONOMIC</b>
<b>Emissions from energy use and transport &amp; delivery</b>	<b>Waste management</b>	<b>ENVIRONMENTAL</b>		
<b>People: Training, OHS &amp; D&amp;I</b>	<b>Customer satisfaction and protection</b> (data privacy, H&S)	<b>Technology strategy</b> (big data, cyber security, and e-commerce)	<b>Meaningful communications and market shaping</b>	<b>Ethics and compliance</b> (governance of ESG at Board level, anti-corruption)
				<b>SOCIAL &amp; GOVERNANCE</b> 

Wilcon’s assessment process resulted in the above list of sustainability topics that are material to the business and where we create the most impact. All these present Wilcon with opportunities for better and long-term value creation. Conversely, we understand that they may pose risks to the business if we do not monitor and manage our performance on these issues.

Thus, our materiality process provided us with the opportunity to identify the necessary management actions to begin to address the risks and take advantage of the opportunities they present. These are:

- Monitor and analyze markets and macro data to successfully anticipate changes and sufficiently respond to any development on these material topics, while continuing to provide more and varied choices to our customers;
- Provide company leaders and managers with more opportunities to be exposed to the external environment concerning material ESG impacts, and receive proper training to use the information and knowledge in their decision-making during planning and day-to-day operations;
- Provide adequate support to the human resources department to be able to continuously recruit, train, and deploy excellent personnel;
- Strengthen relationships with a strong core of suppliers that can be relied on to deliver up-to-date, relevant, and specifications-compliant products cost-effectively; and
- Provide sufficient lead time in our construction projects.

We look forward to improving our understanding and responses as we further embed sustainability into our strategy and operations. Thus we commit to the following next steps for a fuller picture of our sustainability journey ahead:

Include other stakeholder groups using existing touch points (e.g., customer management system) and separate engagements for a 360-degree view of our impacts, risks, and opportunities in time for the next report in 2022;

- Establish a regular materiality review every 2 to 3 years under the governance of senior management; and
- Develop internal capacity to apply learnings from the materiality assessment in areas of our business and begin to measure our performance on these material topics.

# OUR MATERIAL ESG AND KEY FINDINGS

## MATERIAL ESG TOPICS



Wilcon's economic growth relies on its ability to open new stores in strategic locations. This growth needs to create value not only for its shareholders but also for its employees, business partners, customers, and communities where we operate.



- Cost of construction and development
- Lack of qualified employees
- Lack of available contractors or construction personnel
- Securing government approvals, permits and licenses in a timely manner
- Significant competition from other more established businesses in new markets

- Increased profitability through new markets
- Growing preference for sustainable products
- Operational efficiencies and better use of resources like materials, energy, fuel, and water



Wilcon has to demonstrate its resilience in the face of risks from climate change

- Impacts on physical assets (e.g., flooding or construction delays from extreme weather), construction schedule, workforce productivity, reputation, and customer behavior and shopping seasonality, which affect our financial performance

- Ability to offer superior, more durable, more sustainable products that can withstand harsh weather conditions
- Position Wilcon as a partner in building and rebuilding
- Shape the market and educate them on the benefits of sustainable products



Wilcon's expansion into key fast-growing cities in areas outside Metro Manila creates jobs and stimulates infrastructure development and economic activities in these areas.

- Cultural differences can hamper acceptance of the brand and working relationship between store management and locally hired personnel
- Lack of acceptance from the communities in new store locations

- Local employment spurring economic growth in emerging cities
- Be recognized as an inclusive brand by the community through appropriate and meaningful marketing



Wilcon must ensure the quality, safety, and sustainability of the products and solutions it offers its customers. Addressing sustainability risks in products requires working with its suppliers in promoting a transparent, fair, and responsible supply chain.

- Non-availability of products that meet evolving customer preferences and Wilcon's quality standards
- Inaccurate forecasting of trends in customer behavior and preference and to respond to them in a timely manner
- Unmanaged or unchecked increases in price of more sustainable products and make them unaffordable

- Sustainability as a growing customer preference
- Offer products that are suitable and relevant to the market's taste
- Collaborations on innovations with suppliers to cast a wider sphere of positive impact



# OUR MATERIAL ESG AND KEY FINDINGS

## MATERIAL ESG TOPICS



Wilcon's growth translates to more impacts on the environment, specifically emissions resulting from greater energy use and consumption of fuel for transport and delivery of products, while relying on external providers.

- Non-availability of feasible/ reasonably-priced/financially -sensible fossil-fuel substitutes
- Cost of technology, know-how and execution of efficiency promoting logistical processes and programs

- Use alternative power and fuel sources that are cost-effective in the long run
- Reduce carbon footprint



Wilcon must be able to manage the waste it generates as it grows, specifically how it contributes to packaging waste, pollution, and toxicity.

- Accelerated price increase of new technology that will improve waste management efficiency that will be prohibitive to use by businesses
- Human resource skills available at reasonable cost to implement

- Foster product innovation using waste as possible raw material



# OUR MATERIAL ESG AND KEY FINDINGS

## MATERIAL ESG TOPICS



Wilcon must ensure the development and empowerment of its employees by providing them opportunities for professional growth and economic well-being and protecting their rights in the workplace, including occupational health and safety.

- Availability of trainable and skilled human resource
- Cost of training
- Cost of new technology

-Become the preferred employer for the incoming generation of workforce



As customer preferences and buying patterns evolve, Wilcon must be able to continue to deliver superior quality products and solutions while providing excellent and reliable service.

-Reputational damage from threats to customer wellness and safety

-Leverage Wilcon's positioning for high quality customer shopping experience as differentiator



With big data shaping the growth of retail, Wilcon needs to ensure its ability to optimize its information technology systems to make operations more efficient and reach more customers while remaining proactive against potential systems failures and breaches of security.

-Reputational damage from data breaches and system failures

-Lags and operational delays from data breaches and system failures

-Market expansion without need to put up brick & mortar stores, decreasing capital outlay

-Requires less energy to operate and generates less waste

-Addresses possible shortfall in capable manpower



As industry leader, Wilcon is in a position to shape the industry and the market towards the adoption of more sustainable products, services, and business practices.

-Resistance from consumers to see value for money in sustainable products and services

-Address unmet needs through sustainable products and services

-Enter new customer segments



Increasing ESG regulation and greater expectations for business to contribute to sustainable development while ensuring value creation and long-term resilience require responsible leadership and adoption of sustainability at the Board level

-Subject to fines for noncompliance to future regulations on ESG governance

-Establish a governance structure and management approach towards sustainability

-Ability to better respond to investor queries

# ECONOMIC DATA

## Economic Performance

Direct economic value generated and distributed ((in Php)

	2019	2020
Direct economic value generated (Revenue)	24,938,844,778	23,064,205,443
Direct economic value distributed		
A. Operating costs	5,395,669,570	5,738,019,170
B. Employee wages and benefits	1,025,194,473	1,146,448,905
C. Payments to suppliers, other operating costs	24,860,597,137	21,364,314,920
D. Dividends given to stockholders and interest payments to loan providers	655,956,975	737,951,204
E. Taxes given to government	1,461,032,672	1,665,084,290
F. Investments to community	11,676,935	73,063,471

## Becoming the Preferred Partner: Our Management Approach

Wilcon's leadership in the home improvement and construction retail space is founded on its vision to become the preferred company in the industry for all its key stakeholders. We do this by differentiating our business, our product offerings, and our services through excellence, trustworthiness, and reliability.

We understand that we are in the business of offering innovative solutions. Thus, we have a strong and exclusive lineup of quality, value-priced in-house brands, as well as renowned international and local brands that meet our customers' evolving needs. By being attuned and responsive to the accelerating changes in customer behavior and retail trends, we have revolutionized the home improvement and construction supply industry in the Philippines, taking it beyond "hardware-store" types to well-designed retail spaces and customer-centric business practices that enhance the customer shopping experience.

**No. 1**

Home improvement/  
construction retail space

**63**

Stores  
nationwide

**425**

Suppliers

**779,698**

Members of Wilcon's loyalty & rewards program

## The Preferred Partner: Tried, Tested and Trusted

Wilcon's thrust of differentiating our business, our product offerings and services through excellence, trustworthiness and reliability to realize our vision to become the preferred company in the industry for all of our key stakeholders has borne fruit during this very challenging year.

The impact of the COVID-19 pandemic on consumers and the consequent mobility-restricting measures governments around the world imposed to curb the spread of the disease on businesses has surely tested the effectiveness of our strategies, processes and systems. Our core values shone through our response to this pandemic, hence we were able to pivot our operations to conform to the health and safety protocols and adapt to the changed consumer behavior. Our large, well-designed retail spaces and customer-centric business practices made us the home improvement store of choice by consumers.

## Maintaining Sustainable Suppliers

Our long-standing, mutual-growth enabling relationship with our various suppliers has allowed us to continue to carry the same breadth and variety of product offerings. We were able to continue supporting suppliers with sustainable products in their offerings. We have dedicated store shelves for green products and regularly train our salespeople to help our customers select home improvement and construction supply solutions that deliver environment-friendly benefits, which has become a customer priority.

We continue to look forward to reporting on our progress in our efforts to develop a sustainable procurement program in our next reports.



## Unwavering Commitment to Responsible Business

Our success in delivering acceptable financial results given the circumstances was partly a result of our steadfast commitment to responsible and ethical business practices. Corporate governance protects shareholder value and promotes transparency and accountability at the highest level of our business. They also protect our leadership position in the sector.

Our Revised Manual on Corporate Governance and Code of Business Conduct and Ethics guided Wilcon's directors, officers, and employees when dealing with our various stakeholders throughout the business. We have a zero-tolerance approach to bribery and corruption as reflected in our Anti-Bribery and Anti-Corruption Policy, which outlines in clear detail what constitutes bribery and corruption, how to raise concerns, monitoring and review systems including internal controls by the review committee, and the administration of penalties. The policy applies to all Wilcon employees and relevant third parties in all areas where we operate.

On February 19, 2021, the Company was recognized by the Institute of Corporate Directors as one of publicly listed companies that performed well in the 2019 ASEAN Corporate Governance Scorecard (ACGS) Assessment.

Wilcon also has a Related Party Transactions Charter and Committee to review and ensure proper oversight of all our material related-party transactions (RPT), which we define as RPTs that amount to 10% or higher of the company's total assets based on its latest audited financial statement. The committee promotes fairness, transparency, and independent reviews and audits, and ensures against conflicts of interest and misappropriation of resources, among others, to protect the long-term interest of our shareholders and the reputation of the company. The Committee consists of three independent directors and conducts an annual review of its performance.



## Environment Performance

### Energy consumption within the organization (in kWh)

	2019	2020
Energy consumption (renewable sources)	1,514,227.66	4,619,099.12
Energy consumption (electricity)	54,709,602.84	47,251,479.26

### Energy reduction of energy consumption (in kWh)

Energy reduction (electricity)	1,514,227.66	4,619,099.12
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### Air emission disclosures (in Tonnes CO<sub>2</sub>e)

Scope 1 GHG emissions	912.01	731.31
Scope 2 GHG emissions	38,964.24	37,801.18
Total GHG emission	39,876.24	38,532.49

### Water consumption within the organization (in CBM)

Water withdrawal	162,057	294,686
Water consumption	162,057	294,686
Water recycled and reused	0.00	0.00

### Solid and hazardous waste generated (in kg)

Recyclable (papers & scraps)	See note 1	83,175
Landfilled	Not collected in 2019	Not collected in 2020
Hazardous waste generated	See note 2	262,093.3
Hazardous waste transported	Not collected in 2019	Not collected in 2020

### Environmental compliance

Monetary fines for non-compliance (Php)	285,000*	245,000*
No. of monetary sanctions for non-compliance	0	0
No. of cases resolved through dispute resolution mechanism	0	0

#### Did you know?

Wilcon designed their buildings to maximize natural light, only turning on lights in the afternoon.

38,532.49

GHG Emission

Shift towards renewables: solar energy

Target: almost half of energy mix to come from solar

## Environmental Performance: Building on Small Wins

The pause in operations and subsequent resumption of a trimmed-down operations as a result of measures imposed to curb the spread of the COVID-19 disease have pushed back our growth and expansion targets. These have also, on the other hand, resulted in decreased energy consumption and resultant emissions.

We still have our focus set on the use of renewable energy and battery technology in our branches nationwide. Partnerships with sustainable suppliers and market shaping are also critical steps to take so that we expand the reach of our impacts beyond the branches and enable more sustainable living for our customers.

As we prepare to fast track our recovery, we remain committed to develop and implement a more deliberate environment agenda. We continue to look forward to improving efficiencies in our operations for productivity and cost savings, taking advantage of opportunities in innovations in packaging and resource use, while addressing actual and potential negative impacts of our operations on our immediate environments and the planet.

\*late submission of supporting documents  
 Note 1: Data collected for 2019 is for various branches only.  
 Note 2: Data collected for 2019 is for six branches only.

## Shaping the Market Towards Green Solutions

Customers are becoming more conscious about the impacts of their lifestyles. Wilcon has been steadily expanding the green products it offers on its shelves to address this demand. The following are some of the sustainability features we highlight to make it easy for our customers to build and live better for the planet.



- Water-saving fixtures: low flow, dual flush
- Energy-efficient lighting: lower consumption, more light, longer life
- Clean-air paint products: less polluting, no unpleasant smell
- Circular economy: wood from renewable forests, recycled materials

Our reduced operations and shift focus on surviving the pandemic in the new operating environment and the suspension of activities of the different entities and organizations that we have been supporting have temporarily halted our usual sponsorship of these activities.

We remain committed to support these activities and looking forward to resume the journey with our partner organizations.

## Waste Reduced

We generated even less waste in our stores during the year as a result of the pause in our operations. We continued to partner with local government units for the sorting of any solid waste materials we generated. Our partner facilities to treat our hazardous waste such as broken bulbs and other waste like used oils continued to be operational. Programs such as the take-back program with several suppliers so that they can recycle or repurpose inventory that do not meet our quality standards or get inadvertently damaged and rejected to prevent them from ending up in our landfills resumed after a temporary suspension.

## Highlight: Greening Our Branches

Our stores, because of their big formats, have intense energy requirements. To promote greater cost savings while minimizing our carbon footprint, Wilcon has started to roll out solar power solutions in 2016, including renewable energy into the energy mix of all our branches. We also use high-volume low-speed fans to minimize the use of air-conditioning while still making the branches comfortable for our customers and our staff. At the same time, our stores are designed to bring in as much natural light as possible and use forklifts that run on batteries rather than diesel. Below are the highlights of several in-store initiatives that make our operations more environment-friendly.

- 100% of branches to include solar power by 2024
- 32 branches with solar power systems
- 19 branches for installation of solar power systems by 2021



# SOCIAL DATA

## Employee Data

Employee data	Female	Male
Employees by gender	1288	1439
Employee benefits (% who availed)	Female	Male
SSS	6.68%	7.58%
PhilHealth	0.77%	0.29%
Pag-ibig	9.47%	12.73%
Parental leaves:		
Maternity / Paternity Leave	8.58%	12.25%
Solo Parent	96%	4%
Magna Carta	0.51%	
Vacation leaves	43.01%	49.21%
Sick leaves	3.13%	2.27%
Medical benefits (aside from PhilHealth)	8.64%	6.95%
Housing assistance (aside from Pag-ibig)	0.04%	0.44%
Retirement fund (aside from SSS)	0.00%	0.08%
Further education support	0.00%	0.00%
Company stocks option	0.00%	0.00%
Telecommuting	5.67%	5.71%
Flexible-working hours	22.67%	9.31%
Employee training and development	Female	Male
Total training hours provided	80	56
Ave. training hours provided	11.42	11.2
Labor Management Relations		
% of employees covered in CBA		29%
Number of consultations conducted with employees concerning employee-related policies		4

**47%**

Female employee

**53%**

Male employee

**50:50** Female:Male

Employee in Key Management Positions

**8** DECENT WORK AND ECONOMIC GROWTH



## Our People: The Bedrock of Our Recovery

Wilcon recognizes that its people are its most valuable asset and hence we took care of them. The retail industry was one of the severely hit industries by the economic impact of the COVID-19 pandemic. There were massive layoffs and furloughs in the industry but we kept whole our workforce. We continued to pay them even at the time when we had no operations and even if it meant temporarily sacrificing financial gains. We do this because it is management's responsibility to ensure duty of care and dignity of person, and maintain a culture of compassion all throughout our operations.

When we resumed operations of our shuttered stores in view of the government's imposition of quarantine measures, we regularly tested our employees and provided them with safe transportation and work spaces. We implemented work-from-home arrangements and re-configured our office spaces to conform to the social distance requirements. Central to our vision for our employees is our compensation and benefits program and Work Life Integration Program, both of which protect and promote our employees' advancement, productivity, fair treatment, physical and mental health, safety, and well-being.

Training and learning activities pivoted to pure online. Our Training Team quickly converted our learning modules into an online set up. We were prepared for this shift since we have already started implementing this method even before the pandemic.

Our experience also gave us the agility to quickly re-orient our employees to the new protocols and requirements in operations. Not only did we address the regulatory requirements but we adapted quickly also to the changed buying behavior of our customers. We quickly provided for and trained our employees in the use of the various digital tools and social media platforms in delivering service to our customers.

Because we are a large company with a network of 63 branches nationwide as of 2020, it is important for employee development and well-being to be cascaded to all levels. Empowerment is key, especially down the line, and our Human Resources department works with operations managers at the branch level who are regularly trained in human resources principles and practices, where they have the power to make decisions on matters and/or grievances concerning the staff, customers, and suppliers, as well as incidents concerning occupational health and safety and ethical practices. We have voice mechanisms that allow for daily communication between individuals and across different functions, including a whistleblower policy and grievance mechanisms for our labor unions.

Workplace conditions, labor standards, and human rights	Female	Male
Safe Man-Hours	1260	1418
No. of work-related injuries*	21	156
No. of work-related fatalities	0	0
No. of work related ill-health	0	0
No. of safety drills	1180	
Labor Laws and Human Rights		
No. of legal actions or employee grievances involving forced or child labor	0	
Forced labor (y/n)	Y	
Child labor (y/n)	Y	
Human rights (y/n)	Y	
Supply Chain Management	Does Wilcon consider the following when accrediting suppliers	
Environmental Performance	Y	
Forced labor	Y	
Child labor	Y	
Human rights	Y	
Bribery and corruption	Y	

\*Minor injuries requiring basic first aid treatment only. 0 hospitalized or confined incidences

**8.63%**

Attrition

**54%**

Covered by OHSAS

**0**

Employees from IP

### Did you know?

100% of store leadership and 95% enterprise-wide of management of Wilcon grew organically from the ranks.

### Health and Safety – The Paramount Consideration

Wilcon has been investing in creating safe stores and working spaces. We practice more stringent safety measures with our large and bulky moveable items, machine-powered lifts, and constant foot traffic, which can pose safety risks on our floor staff and customers. We continue to implement the following initiatives to help us minimize hazards and prevent injuries at the branches:

- A health and safety governance structure consisting of occupational health and safety officers and pollution officers;
- Safety assessment for product displays and regular checkup on equipment and stocks for safety and maintenance;
- Use of caution ropes and signages for warning zones;
- Procedures for immediate action should accidents occur and incident reporting;
- Personal protective equipment when constructing and installing solar panels; and
- Review and requirement of safety policies among contractors.

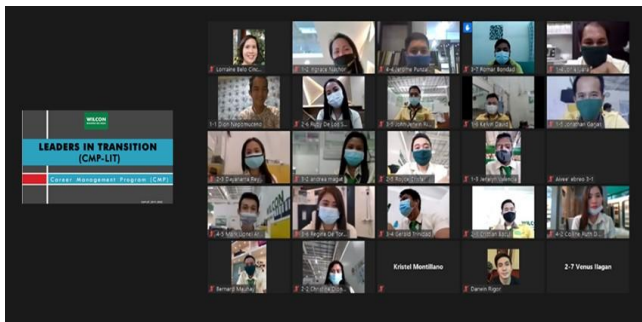
The COVID-19 pandemic added another layer to our health and safety protocols. We tested employees, provided them with face masks and shields and paid quarantine non-working days if necessary.

At the corporate level, we have trained first aiders and a company doctor who is available for daily and monthly checkups. Our company's occupational health and safety manual is based on the Department of Labor and Employment's requirements. To minimize the stresses on our employees associated with the heavy traffic in the metropolis, we now offer a compressed workweek with flexible working hours. We also have a private lactation area for breastfeeding mothers in the workplace.

# SOCIAL DATA



Wilcon Depot conducted its annual Sales Kickoff Conference 2020 for all Wilcon retail leaders from all over the Philippines last January and February 2020 carrying the battle cry, "I am a CX HERO" which stands for Customer Experience HERO. The seminar aims to communicate the plans of the company, bring additional learning experiences and takeaways, and allow them to understand the latest business trends.

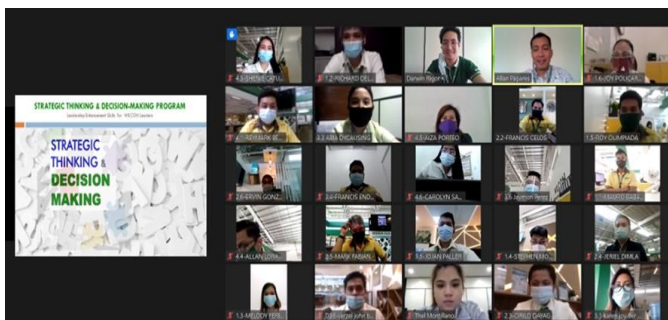


## Career Management Program-Leaders in Transition (CMP-LIT)

Objectives:

- Discuss the essential roles of a leader, manager and supervisor
- Discuss strategies on how to build trust relationships
- Identify steps to effectively delegate tasks
- Discuss the Discipline of Execution

## On Boarding For Newly-hired Employees



## Strategic Thinking and Decision Making (STDM)

Objectives:

- Discuss the various disciplines of a strategic leader
- Define Strategic Thinking
- Introduce Systems Thinking concepts & Tools
- Demonstrate Planning, Problem Solving & Diagnostic Skills
- Apply the "6 Thinking Hats" in making strategic decisions

## Customer Satisfaction and Service Excellence in The New Normal

Customer behavior and preferences are shifting at an unprecedented pace, hastened by rapid technological innovations, growing environmental and social pressures, consolidation of competition, and increasing regulation. The COVID-19 pandemic accelerated this shift and may have even altered its course.

Our ability to maintain our status as industry leader and preferred partner depends on a strong commitment to deliver products and solutions of superior quality and provide excellent and reliable service to our customers consistently.

We have a strong track record of anticipating the needs of the market, and sourcing and developing products that meet these needs, allowing us to evolve over the past four decades. We were the first home improvement and construction supply store in the country to improve customer experience in our branches, departing from the traditional “hardware” type of stores and designing them to provide a comfortable atmosphere that enhances the shopping experience and to foster satisfaction and loyalty. Wilcon was also the first to proactively offer and highlight more sustainable products and solutions.

Innovation, customer satisfaction, and service excellence are the values that define our Customer Relationship Management (CRM) program. Our customers range from middle-income and high-income households to independent contractors and project developers. We have a CRM strategy with target , and monitoring and evaluation mechanisms. This includes a customer service platform available on our website, where customers can send queries, suggestions, comments or complaints.

We launched our e-commerce platform in 2019 and was set to launch an enhanced, integrated platform by the end of 2020. When the COVID-19 pandemic hit we have already initiated our preparation for this improved platform. The impact of the pandemic, however, on consumer behavior is still continuing and it is still uncertain where the trend will bring it or if it will be reversed or altered when the pandemic is over. In view of this, we have pushed back the launch of our enhanced platform to take into consideration as much as the evolving behavior as practicable.

In the meantime, we have launched other online alternatives such as our Browse, Call and Collect/Deliver initiative, making full use of all social media platforms including online selling, personal shopper services via virtual shopping and the like.



### Customer Management

#### Customer Satisfaction

Score

Customer Survey

n/a

#### Health & Safety

Quantity

No. of substantiated complaints on products or services health and safety

0

No. of complaints addressed

0

#### Marketing & Labeling

Quantity

No. of substantiated complaints on marketing & labelling

0

No. of complaints addressed

0

#### Customer Privacy

Quantity

No. of substantiated complaints on customer privacy

0

No. of complaints addressed

0

No. of customers, users and account holders whose information is used for secondary purposes

0

#### Data Security

Quantity

No. of data breaches, including leaks, thefts and losses of data

0

# SOCIAL DATA

## Our Broad Range of Products: Fit For Every Need

We have over 2,000 brands and products across different product categories translating to 48,000 SKUs that make it easy and convenient for our customers to find their home improvement and construction needs under just one roof.

- Plumbing and sanitary wares (bath and shower mixers, bath fillers, faucets, shower, water systems, bathtubs, bidet, bowl, lavatory, pedestal, shower enclosure, urinal, water closet and other accessories)
- Hardware and tools products (door essentials, hand tools and hardware accessories, pipes, sundries, power tools and hand tools)
- Tiles/Flooring (locally made and imported tiles in various sizes and types such as ceramic, glass block, porcelain, and vinyl)
- Electrical and lighting (electrical accessories and supplies, lamps, wiring devices, LED and lights)
- Furniture, furnishings and houseware (furniture products found in the bedroom, dining, kitchen, living room, office, and outdoor; decorative items, organizers, wall hang decors, curtains, and blinds)
- Paints (a wide range of paints for different surface types)
- Appliances (air coolers, air conditioners, electric fans, entertainment appliances, kitchen appliances, washing machine, and vacuum cleaner)
- Building materials (building decors and supplies, ceiling and wall, floor and roofing)



## Selected in-house brands of the Company





## Reliable Member of Local Communities

As a home improvement and construction supplies retailer, our entry into provincial centers nationwide can mean that the local economies in these areas are primed for greater activity, which can indirectly lead to more infrastructure and more job opportunities. Our stakeholders agree that our expansion has the potential to decentralize growth and development and bring it outside the traditional urban centers.

This also means that with an expanded store network, we now become a member of various local communities that we aspire to mutually grow with. In this time of crisis, we were given the opportunity to serve more meaningfully the local communities we belong in. We undertook the following to help our communities survive and thrive during these challenging times:

Wilcon Depot donated wooden pallets through Tzu Chi Foundation with its initiative on setting up two temporary storage structures to store and secure PPEs of Zamboanga City Medical Center.



Wilcon Depot has donated over 400,000 pesos worth of customized Polyethylene (PE) Tank to Islas de Santa Cruz Community through Yellow Boat of Hope Foundation and ABS-CBN Foundation.

Wilcon Depot donated to the communities in Naga City and Daraga, Albay who were affected by Super Typhoon Rolly. Through the help of the local workforce of Wilcon and support from the Local Government Unit, the relief goods were successfully turned over to the local communities on November 6, 2020.

Wilcon Depot donated relief goods to the communities affected by Typhoon Ulysses in hopes to contribute to the residents of Iguig, Cagayan on November 17, 2020, and in Montalban, Rizal and Marikina City on November 20, 2020.

Wilcon Depot donated relief goods to Typhoon Ulysses victims in Catanduanes on December 3, 2020.



Wilcon Depot hosts the 6<sup>th</sup> Wilcon Cup and donated proceeds to help the communities affected by the Taal Volcano Eruption and also to support the Crocodylus Porosus Philippines, Inc. (CPPI) on January 29, 2020.



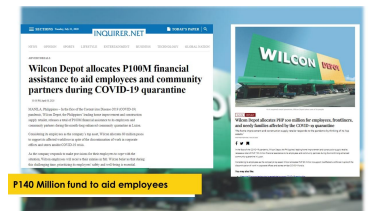
Wilcon employees and officers donated P1M and in-kind relief donations to the victims of the Taal volcanic eruption through the ABS - CBN Foundation on January 31, 2020.

Wilcon provided relief assistance to the provinces of Batangas, Cavite, and Laguna who were affected by the Taal Volcanic eruption on January 17, 2020.

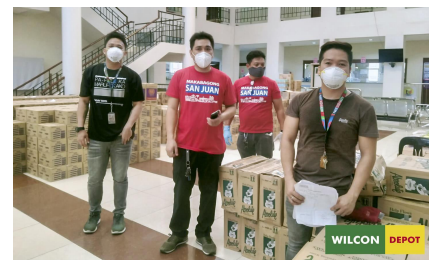


Wilcon employees volunteer to help the Taal Volcano eruption victims and extended relief donations containing food, clothing, hygiene essentials, toiletries, first aid basics, and financial assistance.

Wilcon allocated P140 Million as financial support to ensure employees to receive their salaries in full in spite of work discontinuation in corporate offices and retail stores due to the COVID-19 pandemic



Wilcon allocated a P10 Million donation to ABS-CBN Lingkod Kapamilya Foundation #PantawidNgPagibig to help supply food and basic needs to poor families whose source of living has been affected by the enhanced community quarantine.



Wilcon allocated a P10 Million donation to GMA Kapuso Foundation to support their programs to help provide basic medical supplies for the health and safety workers.



# COMMUNITY DATA

Wilcon donated P25 Million to the Philippine Disaster Resilience Foundation's "Project Ugnayan" which aims to raise funds and distribute gift certificates and food packs to help millions of poor families and communities in Metro Manila.



Wilcon Depot donated 16,000 personal protective equipment (PPE), 60,000 face masks, and bicycles through Go Negosyo, in collaboration with the Project Kaagapay: Protect our Healthcare Heroes, in providing immediate help to our frontliners. The medical equipment were distributed to different hospitals across Metro Manila.

Wilcon supported the Go Negosyo's Project Antibody Rapid Test Kits (Project ARK). Wilcon was able to donate test kits to Bacoor Cavite; Baliuag, Bulacan; Cabanatuan, Nueva Ecija; Calamba, Laguna; Calumpit, Bulacan; Laoag City, Ilocos Norte; Mandaluyong City, Parañaque City, Tarlac City, Montalban, Rizal; Taytay, Rizal, and Villasis, Pangasinan.



As part of our continued support to our dear frontliners, Wilcon Depot donated 100 Personal Protective Equipment (PPE) to the Lung Center of the Philippines to help in their fight against COVID-19.



Wilcon handed over PCR and Natch Machines to the Quezon City Government for the Philippine Children's Medical Center.



Wilcon extended financial aid to various local communities where we operate including Jaro, Iloilo City, and Brgy. Sta. Ana, Taytay, Rizal.



# Appendix A: List of Operations Location

	Branch Name	Branch	Location
1	ALABANG	D01	8003 REAL ST., ALABANG ZAPOTE RD., ALMANZA UNO, LAS PIÑAS CITY
2	BALINTAWAK	D02	1274 EDSA A. SAMSON, QUEZON CITY
3	LIBIS	D03	90 E. RODRIGUEZ JR. AVE., BRGY. UGONG NORTE, DISTRICT 3, QUEZON CITY
4	MAKATI	D05	2212 CHINO ROCES AVE., SAN LORENZO, MAKATI CITY
5	QUIRINO	D06	L119 C-1 MINDANAO AVE., TALIPAPA, QUEZON CITY
6	FILINVEST	D07	L1 B29 ALABANG ZAPOTE RD. COR. BRIDGEWAY AVE., FILINVEST CORPORATE CITY, ALABANG, MUNTINLUPA CITY
7	MEXICO	D08	GAPAN-OLONGAPO ROAD, LAGUNDI, MEXICO, PAMPANGA
8	SUCAT	D09	DR. A. SANTOS AVENUE, SAN DIONISIO, PARAÑAQUE CITY
9	FAIRVIEW	D10	16 COMMONWEALTH AVE., BRGY. COMMONWEALTH, QUEZON CITY
10	TARLAC	D11	MC ARTHUR HIGHWAY, SAN RAFAEL, TARLAC CITY
11	DAU	D12	MC ARTHUR HI-WAY, DAU, MABALACAT, PAMPANGA
12	SAN FERNANDO	D15	FREEWAY STRIP OLONGAPO-GAPAN ROAD, DOLORES CITY OF SAN FERNANDO, PAMPANGA
13	CALAMBA	D16	NATIONAL ROAD, BRGY. HALANG, CALAMBA CITY, LAGUNA
14	BATANGAS	D17	LOT 2687-A DIVERSION ROAD, ALANGILAN, BATANGAS CITY
15	TAYTAY	D18	MANILA EAST ROAD, BRGY. SAN JUAN, TAYTAY, RIZAL
16	ANTIPOLO	D19	MARCOS HIGHWAY, BRGY. MAYAMOT, ANTIPOLO CITY, RIZAL
17	BALIUAG	D20	KM. 48 DRT HIGHWAY, BRGY. TARCAN, BALIWAG, BULACAN
18	DASMARIÑAS	D21	GOVERNOR'S DRIVE, PALIPARAN 1, DASMARIÑAS CITY, CAVITE
19	LAOAG	D22	AIRPORT ROAD, BRGY. 50, BUTTONG, LAOAG CITY
20	MANDAUE	D23	U.N. AVENUE, UMAPAD, MANDAUE CITY, CEBU
21	TALISAY	D24	LOT 2359, LAWA-AN II, TALISAY CITY, CEBU
22	KAWIT	D25	CENTENNIAL ROAD, MAGDALO, PUTOL, KAWIT, CAVITE
23	VALENZUELA	D26	292 MC ARTHUR HI-WAY, DALANDANAN, VALENZUELA CITY
24	SAN PABLO	D27	DOÑA MARIA VILLAGE PHASE 2, BRGY. BAGONG BAYAN, SAN PABLO CITY, LAGUNA
25	VILLASIS	D28	NATIONAL HIGHWAY, BRGY. BACAG, VILLASIS, PANGASINAN
26	QUEZON AVE.	D29	24 QUEZON AVE., LOURDES, QUEZON CITY
27	DAVAO	D30	MC ARTHUR HIGHWAY, MATINA, DAVAO CITY
28	IT HUB	D31	PASONG TAMO EXTENSION, BRGY. BANGKAL, MAKATI CITY
29	MOLINO	D32	BACOR BOULEVARD, BRGY. MAMBOG IV, CITY OF BACOR
30	STA. ROSA	D33	TAGAYTAY ROAD, BRGY. PULONG, STA. CRUZ, STA. ROSA, LAGUNA
31	CDO	D34	ZONE 5 , BRGY. CUGMAN, CAGAYAN DE ORO CITY
32	BACOLOD	D35	MATAB-ANG TALISAY CITY, NEGROS OCCIDENTAL
33	BUTUAN	D36	BRGY. BAAN, KM. 3, BUTUAN CITY
34	CABANATUAN	D37	LOT 2040-C-3-B & Lot 2040-C-4, SUMACAB ESTE, MAHARLIKA HIGHWAY, PUROK 6, SUMACAB ESTE, CABANATUAN CITY
35	ILOILO	D38	NORTH DIVERSION ROAD, BRGY. DUNGON-B, JARO, ILOILO CITY

# Appendix A: List of Operations Location (cont.)

	Branch Name	Branch	Location
36	TACLOBAN	D39	PUROK SANTOL, BRGY. 80 MARASBARAS, TACLOBAN CITY, LEYTE
37	SILANG	D40	PUROK 9, BRGY. LALAN II, SILANG, CAVITE CITY
38	ZAMBOANGA	D41	LOT 2235C I-A BOALAN, ZAMBOANGA CITY
39	NAGA	D42	BRGY. DEL ROSARIO, NAGA CITY
40	LIPA	D43	BRGY. BUGTONG NA PULO, LIPA BATANGAS
41	PANACAN, DAVAO	D45	BRGY. PANACAN VALLE VERDE, BUNAWAN, DAVAO CITY
42	TAYABAS	D46	BRGY. ISABANG, TAYABAS QUEZON
43	GEN. SANTOS	D47	PALEN, BRGY. LABANGAL, GENERAL SANTOS CITY
44	PUERTO PRINCESA	D48	BRGY. SICSICAN, PUERTO PRINCESA CITY, PALAWAN
45	GENERAL TRIAS	D49	BRGY. SAN FRANCISCO, GENERAL TRIAS CITY, CAVITE
46	STA. BARBARA, ILOILO	D50	LOT 506B BRGY. BOLONG OESTE, STA. BARBARA, ILOILO
47	OPOL, MISAMIS ORIENTAL	D51	ZONE 2A BRGY. BARRA, OPOL, MISAMIS ORIENTAL
48	STO. TOMAS, BATANGAS	D52	MAHARLIKA HIGHWAY, BRGY. STA. ANASTACIA, STO. TOMAS, BATANGAS
49	ANTIPOLO II	D53	LOT 2-A BRGY. SAN ISIDRO CIRCUMFERENTIAL RD. ANTIPOLO CITY
50	CALUMPIT	D55	BRGY. PIO CRUZCOSA, CALUMPIT, BULACAN
51	IGUIG, CAGAYAN	D56	BRGY. BAYO, IGUIG, CAGAYAN VALLEY RD.
52	SAN JOSE, BULACAN	D57	BRGY. TUNGKONG MANGGA, SAN JOSE DEL MONTE CITY, BULACAN
53	ALBAY	D61	BRGY. PEÑAFRANCIA, DARAGA, ALBAY
54	OLONGAPO	D71	NATIONAL ROAD, BRGY. BARRETTO, OLONGAPO CITY, ZAMBALES
55	TAYTAY II	D72	RIZAL AVE., ILOG PUGAD BRGY. SAN JUAN TAYTAY, RIZAL
56	CABUYAO, LAGUNA	D73	BRGY. SALA, CABUYAO, LAGUNA
57	ALIMALL	HO2	LG003/LG004 LOWER GRD FLR. ALIMALL II, ARANETA CENTER, SOCORRO, D3, CUBAO, QUEZON CITY
58	WCC	HO3	ANCHOR 1, 121 VISAYAS AVE., BAHAY TORO, QUEZON CITY
59	STA. MESA	HO5	425 PIÑA AVE., BRGY. 585 ZONE 057, SAMPALOC, MANILA
60	MINDANAO AVE.	HO6	L-5 B-7 MINDANAO AVE., BAHAY TORO I, QUEZON CITY
61	MUÑOZ	HO7	1066 EDSA, BAHAY TORO, QUEZON CITY
62	PASAY	HO8	16 C JOSE ST. COR. EDSA, MALIBAY, PASAY CITY
63	ILOILO	HO9	GROUND FLOOR UNIT A25-A26, FESTIVE WALK MALL, ILOILO BUSINESS PARK, MANDURRIAO, ILOILO CITY