Uplift!



cebu pacific | 2020 Sustainability Report

ABOUT THE REPORT

Uplift means to inspire, to improve, and to pull together towards a higher state.

Amid the turbulence that the year 2020 brought upon the airline industry, Cebu Air, Inc. (“CEB”, “Cebu Pacific”, “the Company”) continues to innovate through creating programs and opportunities and investing in technologies aimed to uplift the CEB community, the country, and the environment.

Uplift! Cebu Pacific’s 2020 Sustainability Report, covers our economic, social, and environmental performance for the year 2020. This report has been prepared in accordance with the Philippine Securities and Exchange Commission’s (SEC) Sustainability Reporting Guidelines for Publicly Listed companies and the Global Reporting Index (GRI) Standards: Core Option.

Date of Most Recent Report:
In Accordance to GRI Standards: Core - January 2019
Securities and Exchange Commission (SEC)
Reporting Template - April 2020

Reporting Period:
January 1, 2020 - December 31, 2020

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MESSAGE FROM THE CAPTAIN

Flying Toward Better Skies

The year 2020 was a turbulent year for Cebu Pacific and airlines all over the world. Due to the COVID-19 pandemic, aviation's purpose of being able to conveniently bring people together across great distances in short amounts of time also became the industry's greatest challenge. Flying freely posed the threat of transmission and as a result, travel bans and lockdowns were imposed in all corners of the world.

In support of the country's fight against COVID-19, CEB was compelled to cancel thousands of flights, which in turn impacted millions of passengers. Despite entering 2020 from a strong position, Cebu Pacific ended this unprecedented year with a revenue of PHP21.8 billion, flying a total of 5,026,112 passengers, 77% lower than 2019's record high.

Cebu Pacific has gone through challenges before and we can proudly say that we have a solid track record of recovering well and strong. There may have been fewer planes in the sky this past year, but our work at CEB did not slow down. In an effort to remain agile and resilient in times of crisis, we implemented measures that would ensure the safety and earn the confidence of our employees and passengers while we work towards the long-term sustainability of the airline.

The prolonged lockdowns required us to make tough decisions to sustain the business and continue fulfilling our commitment to provide safe and affordable air transport services for everyJuan. We took proactive measures to optimize our operations and became more efficient as we provided support to our people. We made sure to uphold transparency, consistency, objectivity, and compassion throughout every decision.

Our digital investments continue to lay the foundations for us to implement contactless flights for our passengers and shift to work-from-home arrangements for non-frontline employees. We adhered to stringent standards in health and safety protocols to restore the trust and confidence of our customers. These efforts also earned us a perfect 7/7 score for COVID-19 safety and compliance from AirlineRatings.com. CEB continues to work hand in hand with the government to restart domestic travel as safely as possible, which will help spur the country's economic recovery.



Despite the slowdown of our passenger flights, our cargo operations thrived as we helped facilitate the flow of essential goods in, out, and within the country. We helped transport PPEs, medical supplies, and relief goods, free-of-charge, to areas in need during the height of the pandemic, as well as during typhoons. Our cargo operations serves yet another significant role in our battle against COVID-19 as we transport vaccines across the archipelago.

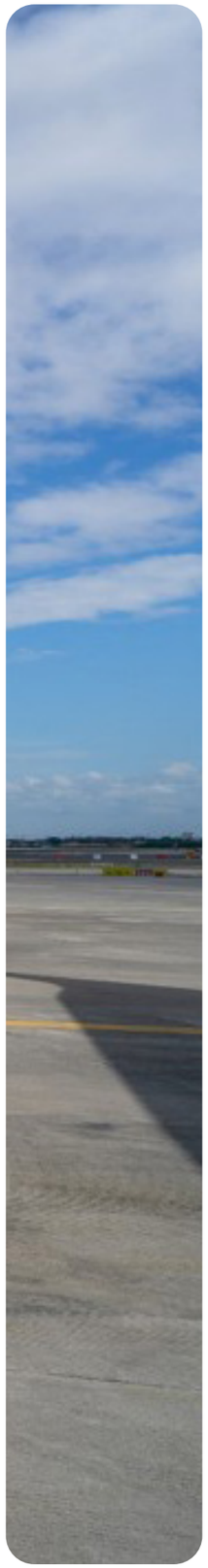
Our commitment to maintaining a young and modern fleet remains unchanged. Flying fuel-efficient aircraft is at the core of our sustainability journey, which has been ingrained into our long-term strategy. This enables us to carry more passengers and cargo while burning less fuel and minimizing carbon emissions.

We commit to being a partner to our nation's progress and believe that this can only be possible if we are mindful of how we grow as a business. We accept that we have a key role to play in preserving our natural wonders, along with the livability of our cities. Though travel was drastically affected in the new normal, we continue to encourage everyJuan to be responsible for the environment in any way they can through the Juan Effect. Apart from this, CEB also calls for all of us to show Juan Love for the Philippines.

We present to you our 2020 Sustainability Report- Uplift! Through our stories, we share with you, our stakeholders, that Cebu Pacific remains steadfast in our promise to offer safe, reliable, and affordable transport services, and to conduct our business in a manner that would benefit our employees, the community, and the environment. We look forward to more smiles ahead with everyJuan.



Lance Y. Gokongwei
President and CEO
Cebu Pacific





2020 Business Review

EveryJuan will Fly Again

The drastic drop in the demand for air travel due to the COVID-19 pandemic posed a threat to the long-term sustainability of the business. Cebu Pacific experienced slowdown in its operations, with flights down to approximately 20% in 2020 vs. 2019. With the pandemic still challenging the industry in early 2021, it is expected that recovery will take longer than initially predicted.

Aviation has become an essential part of our daily lives and our economy. CEB's trademark low fares paved way for Filipinos to fly affordably to make new travel moments happen – be it to visit families and friends, travel for business, or experience new cultures. During this challenging time, CEB strives to adapt to the turbulent environment so it may continue to provide the best service for its customers, while supporting the country's recovery in the years to come.

Summary of Financial Performance *(in PHP)* 201-1

22,459,769,465 Economic value generated 2020	**45,383,016,742** Economic Value distributed	**16,884,053,737** Operating Costs
4,407,230,049 Employee wages and benefits	**14,654,847** Taxes given to government	**4,432,424** Community investments (Philanthropy, donations, CSR)
2,203,355,297 Dividends given to stockholders and interest payment to loan providers	**21,869,290,388** Payments to suppliers, other operating costs	**-22,923,247,277** Direct economic value retained

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2020 Operational Highlights

No. of Passengers flown	5,026,112 passengers
No. of Routes	• 118 routes flown in January 2020 • 48 routes by December 2020 due to reduced operations
Number of Departures	41,804
Available Seat Kilometers (ASK)	7,107,178,686
Revenue Passenger Kilometer (RPK)	5,274,302,249
Passenger Load Factor	75.94%
On-Time Performance	88.71%
Fuel Efficiency	0.0265 kg/ASK
Cargo Flown	109,409 tonnes
Freight Tonne Kilometer	151,053
Average Fleet Age	5.59 years
Digital Adoption (Online Bookings)	3,628,341 passengers
Digital Adoption (Online Check-ins)	1,519,849 passengers
Customer Net Promoter Score	+30
Employee Net Promoter Score	+57
UNICEF Change for Good donations facilitated	PHP4,132,100
Points for Good GetGo points donation drive	403 flights allocated for development partners, valued at PHP2,418,000

Awards

- **DSWD Panata Awards**
- **DSWD Certificate of Appreciation**
- **World Travel Awards 2020**
  Asia's Leading Most Efficient Airline
- **JG Summit 10th Pride in Performance Annual Awards 2020**
  - 1st Place Business Outperformance Award
  - 1st Place Digital Transformation
  - 3rd Place People Focus
  [CEB People Deal: Moments that Matter]
- **11th Gold Award Araw Values Awards 2020**



A330 Passenger Planes Modified to Carry Cargo

In response to the increased cargo demand brought about by the pandemic, CEB converted two A330s into a full-cargo plane, enabling the converted aircraft to carry an additional 13,017 kg of cargo. The carrier's A330 carry 436 passengers and uplift up to 44,536 kg of cargo in its belly.

CEB Cargo also utilizes Nordisk Ultralite® AKE lightweight unit load device (ULDs). These containers help us achieve the best fuel economy and greatest reductions in CO_2 emissions, enabling us to offer more competitive pricing to customers.

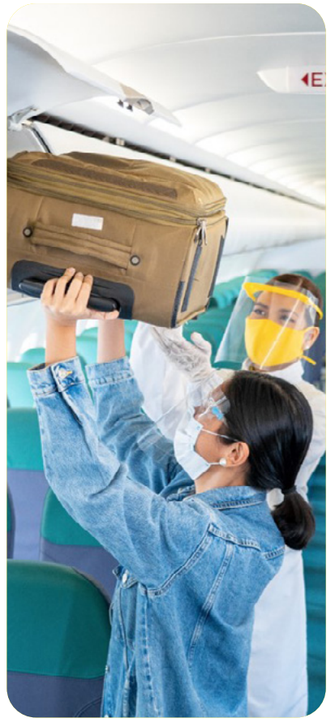


Alex Reyes
Vice President, Commercial
President and CEO, CebGo

"We saw this pandemic as an opportunity to revisit our operations to further innovate whenever possible. Now more than ever, transport of goods must not be hampered, and the A330 reconfiguration will help us address the growing demand with a cabin fully dedicated for cargo. These converted aircraft will effectively enable us to carry more goods while doing so in a more efficient manner compared to regular A330s that rely on belly space

Riding out the Turbulence

CEB's COVID-19 Response



Ensuring Passenger Health and Safety

CEB has always been committed to bringing safe and reliable travels for everyJuan. Now more than ever, we have made sure this is prioritized and applied throughout the whole customer journey. To ensure everyJuan's safety, CEB strictly implements a multi-layered approach to safety in accordance with global aviation standards. It is in our best interest to keep the risk of inflight transmission very low to virtually non-existent, so we may increase our passengers' trust and confidence in air travel.

CEB's COVID-19 response has earned a 7/7 score—the highest score possible—from AirlineRatings.com. AirlineRatings.com is a one-stop airline safety and product rating review website which delivers expert ratings for more than 435 airlines in the world. This is a testament to the airline's commitment to everyJuan's safe overall flight experience, from pre-flight up until arrival at desired destination.



Contactless flights and digital check-in

We have enhanced our self-service online portals to enable everyJuan to easily manage their flights online, as well as to update information that may be required upon entry to a destination. Contactless flight procedures are also in place to reduce risk of face-to-face interaction, such as mandatory online check-in, boarding pass scanning, and self-bag tagging.



Enhanced sanitation and disinfection procedures

We perform daily disinfection on all our aircraft along with heightened cleaning of passenger surfaces at the airport and inflight. Additionally, our Airbus aircraft are equipped with hospital-grade High-Efficiency Particulate Air (HEPA) filters that are proven to eliminate 99.99% of viruses, including the Novel Coronavirus.



Mandatory use of Traze contact-tracing App

We fully support the use of the Department of Transportation's (DOT's) unified contact tracing app for the transport sector. This app requires people transiting through all Philippine airports to register in the app called "Traze" and scan QR codes at designated areas. This requirement is also included in our pre-flight reminder notifications, our website, and social media pages.



Test Before Boarding

After a successful pilot run of our Test Before Boarding (TBB) program in December 2020, CEB passengers can now avail of rapid antigen tests at the Ninoy Aquino International Airport Terminal 3 for only PHP700. The TBB testing facility is open 24 hours daily and guarantees results are released after 30 minutes.

The RT-PCR test is also available at PHP3,300 through our partner laboratories, namely the Philippine Airport Diagnostic Laboratory, Health Metrics Inc, and Safeguard DNA Diagnostics, Inc. RT-PCR results are available after 24-72 hours.



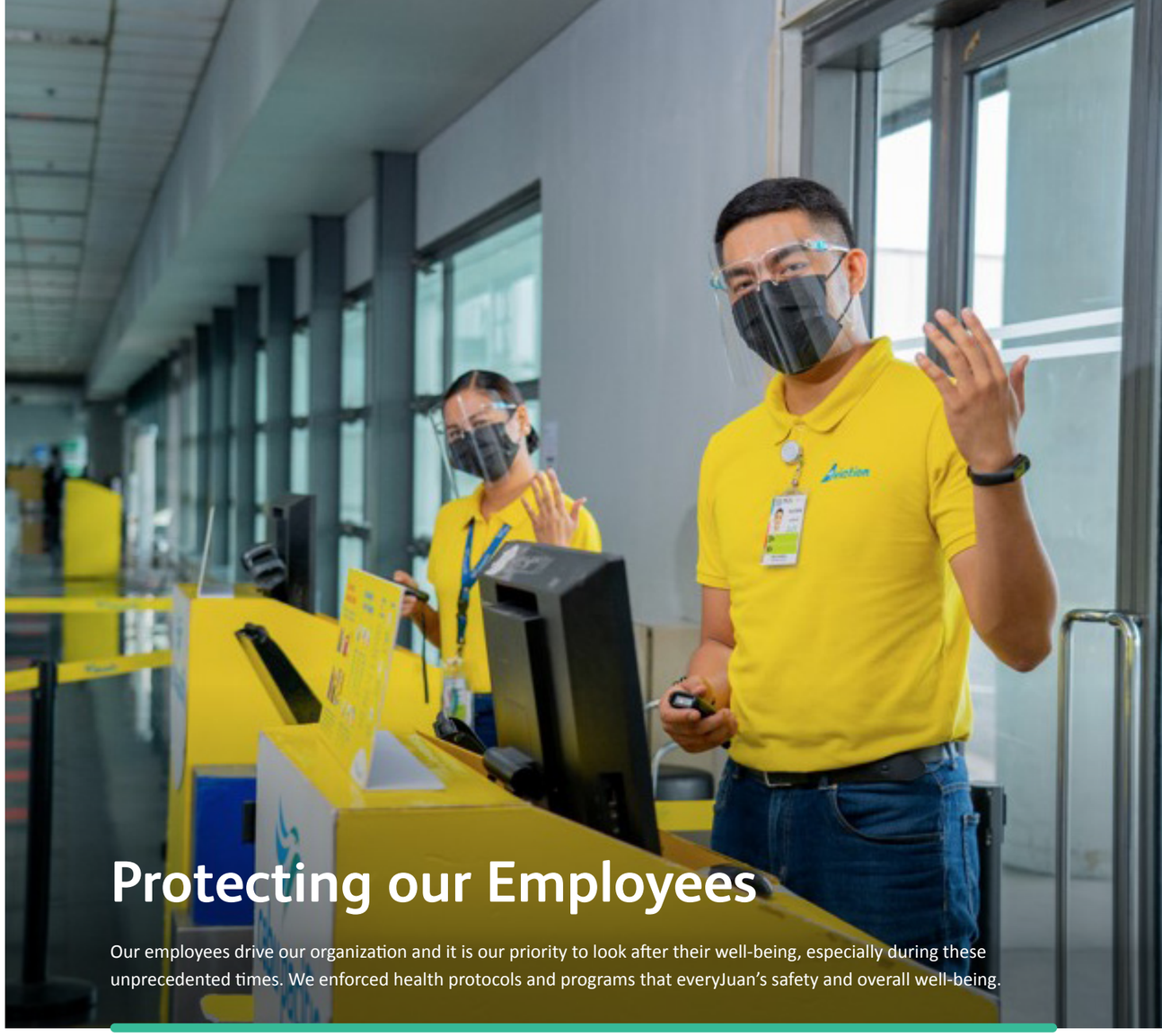
Inflight safety precautions

Wearing face masks and face shields is mandatory for all passengers upon entry in the Airport, throughout the entire duration of the flight, up until arrival at the destination. Passengers will have to stow their own hand-carry bags in the overhead bins and will be expected to practice self-disposal of trash and waste at the end of the flight. Cabin crew members will also be strictly implementing no changing of seats during the flight. Orderly boarding and deplaning procedures must also be observed by everyone on board.



Onboard Food Safety

Cebu Pacific prepares meals based on Global Hazard Analysis Critical Control Point (HACCP) standards. All food handling and transport personnel are also Bureau of Quarantine certified. Our buy-on-board service was temporarily suspended, except for bottled water and pre-ordered meals. The food offering has also been simplified in accordance with the recommendation of the International Air Transport Association (IATA).



Protecting our Employees

Our employees drive our organization and it is our priority to look after their well-being, especially during these unprecedented times. We enforced health protocols and programs that everyJuan's safety and overall well-being.

Facilities

Our Admin and Facilities team led the implementation of physical distancing measures coupled with heightened sanitation and disinfection protocols, provision for protective tools or equipment, and enforcement of guidelines for PPE handling and disposal. To ensure that employees observe physical distancing in the office, the capacity of meeting rooms, food hall, and pantry areas were reduced in half. CEB offices are subject to sanitation and disinfection at least twice a week while floor markers were also installed to guide queuing.

Admin also installed additional protective tools such as plastic barriers in areas where face to face interaction is inevitable, acetate over elevator buttons, foot baths in building entrances, and alcohol bottles available for all in common areas.



Health Monitoring and COVID Support

We made sure to lend support to employees experiencing COVID-related illnesses that fall under the DOH classifications of Suspect, Probable, and Confirmed. Our company clinic, led by Flight Surgeons and Maxicare Doctors, monitored the health condition of employees daily. Medicines and sanitation kits were also provided for affected employees. Starting in June, all on-site employees were required to submit an online health declaration form, accessible through scanning a QR code displayed in the offices.

Crew health and safety

Pilots and crew members undergo rapid antibody testing to ensure that they are healthy and in top condition before boarding their flights. They are issued their own Personal Protective Equipment (PPEs) and facemasks to be worn on duty, gloves for servicing passengers, and disinfectants for additional sanitation. We also regularly clean and disinfect our airports and aircraft.

All Cebu Pacific ground staff are also required to wear PPEs while on duty for their personal safety and the safety of passengers.

Workplace flexibility

To minimize health risks, we adapted flexible work arrangements and a work-from-home policy for our employees. We also accelerated the digitalization of our HR processes for our employees' convenience and continued productivity.



Digital and flexible learning options

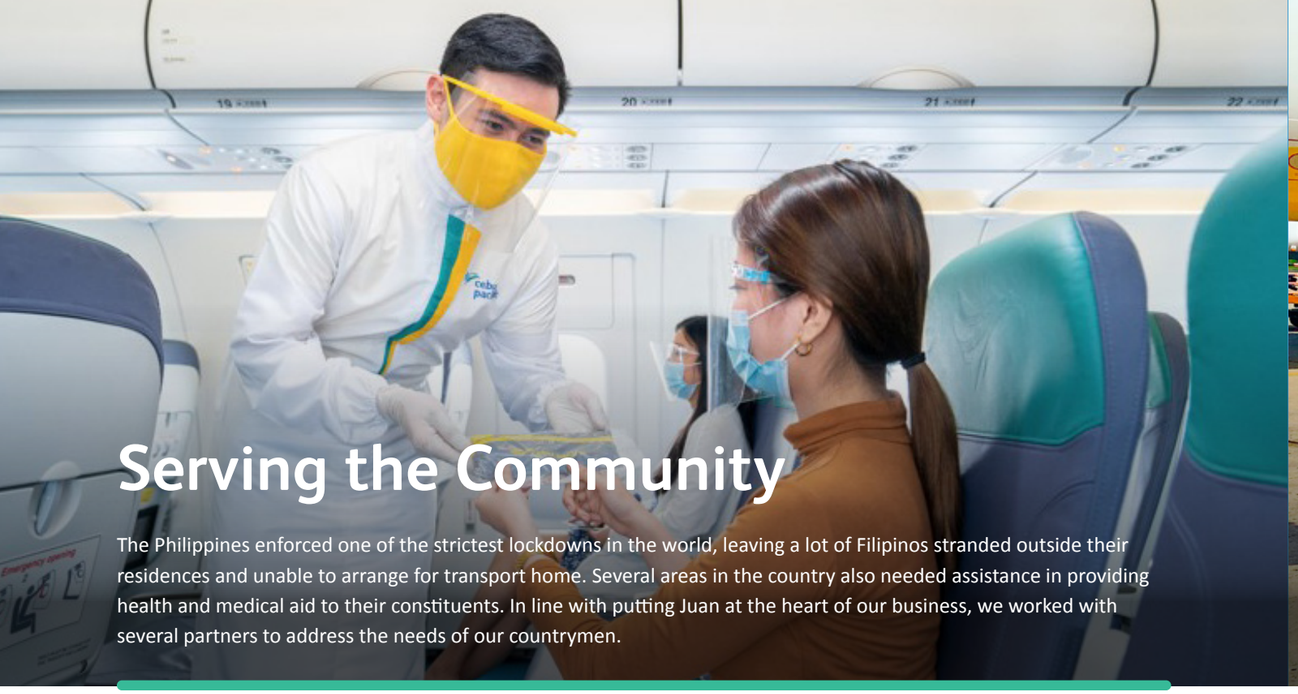
We also encouraged our employees to continue learning while staying safe at their homes. We transitioned our training delivery from in-person sessions to microlearning via the CEB-U On the Go platform. This enabled us to accommodate more employees in each session amidst this new workplace setup. Our pilots and our cabin crew continue to receive refresher training using this modified, digital approach to ensure that their skills are up-to-date.

Mental and Social Wellness

We continued to offer our employees the Telemental Health Program where they can consult with a mental health professional online. We also provided platforms for employee interaction such as the Juan CEB MS teams Community Groups, and other engagement activities such as virtual Halloween and Christmas celebrations.

Transition support

Travel bans and lockdowns due to the pandemic led us to make the difficult decision to rightsize our organization. We launched the Malasakit Transition Program that provides counseling and outplacement opportunities to help our affected employees as they transition to life after CEB.



Serving the Community

The Philippines enforced one of the strictest lockdowns in the world, leaving a lot of Filipinos stranded outside their residences and unable to arrange for transport home. Several areas in the country also needed assistance in providing health and medical aid to their constituents. In line with putting Juan at the heart of our business, we worked with several partners to address the needs of our countrymen.



Sweeper Flights

In partnership with the Philippine government, CEB mounted a total of 474 sweeper flights and was able to bring 44,583 passengers home.



Locally Stranded Individuals (LSI) Outreach

Our catering services coordinated with different non-profit organizations to distribute unsold pastries and other Buy on Board products to LSIs in Metro Manila. Some CEB volunteers also stepped up and mobilized more resources to be able to conduct feeding programs to LSI shelters.



Free cargo space for essential goods and relief

CEB partnered with several organizations and offered the airline's cargo service for free to ensure that essential medical supplies, including PPEs, reach remote areas in a timely manner.



Who We Are

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Vision

We envision stronger nations where cultures and communities are connected, meaningful relationships are built, and lives are enriched by opportunities and experiences we make possible

Purpose

To move people, create opportunities, and broaden perspectives, enabling everyone to lead richer and fuller lives

Values

SERVICE
We put people at the heart of service.

INTEGRITY
We do what is right.

TRUST
We cultivate trust and commit to collaboration.

COURAGE
We relentlessly pursue new ideas and better solutions.

BEST OF FILIPINO SPIRIT
We live the best of Filipino spirit at all times.

Our Services

Cebu Pacific Air (sometimes referred to as CEB in this document) entered the aviation industry in March 1996 and pioneered the "low fare, great value" strategy. As of December 2020, CEB has a network of 39 domestic and 8 international destinations.

Cebu Pacific is the largest carrier in the Philippine air transportation industry, offering low-cost services to more destinations and routes with higher flight frequency within the Philippines than any other airline.

Cebu Pacific is the largest cargo carrier in the Philippines, providing competitive, fast, flexible, and straightforward air cargo service to individual shippers and cargo agents locally and overseas. CEB Cargo utilizes Cebu Pacific's modern aircraft fleet.



Our Fleet

CEB's 74-strong fleet is comprised of 53 Airbus and 21 ATR, one of the most modern aircraft fleets in the world with an average fleet age of 5.59 years. Between 2021 and 2027, CEB is expecting the delivery of 40 more A320s, 16 A330 NEO, and 3 ATR-600.

Aircraft	Count
A330C	8
A330N	0
A320C	26
A320N	5
A321C	7
A321N	7
ATR 72-500	6
ATR 72-600	13
ATR Freighter	2
TOTAL	**74**



Corporate Governance and Compliance

Board of Directors



James L. Go
Chairman



Lance Y. Gokongwei
Director, President and Chief Executive Officer



Jose F. Buenaventura
Director



Robina Gokongwei Pe
Director



Freederick D. Go
Director



Antonio L. Go
Independent Director



Wee Khoon Oh
Independent Director

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Management Committee

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Lance Y. Gokongwei
President and CEO



Mike Szucs
Chief Executive Adviser



Alexander Lao
Chief Strategy Officer



Michael Ivan Shau
Chief Operations Officer



Andrew Huang
Chief Finance Officer and Compliance Officer



Laureen Cansana
Chief Information Officer



Alex Reyes
Vice President, Commercial President and CEO, CebGo



Candice Iyog
Vice President Marketing and Customer Experience



Capt. Samuel Avila
Vice President Flight Operations



Lei Apostol
Vice President Cabin Services



Felix Lopez
Vice President People



Atty. Anne Romadine Tieng
Vice President, Legal Affairs and Chief Risk Officer



Capt. Manny Ilagan
Vice President Safety, Quality, Security



Javier Massot
Senior Adviser Ground Operations



Ian Wolfe
Senior Adviser Engineering and Fleet Management

In 2020, CEB maintained its air safety certification by the International Air Transport Association (IATA) Operational Safety Audit (IOSA) program. CEB is subject to a comprehensive audit twice a year to assess its safety programs and performance.



Compliance with the airline industry standards

- International Civil Aviation Organization (ICAO)
- International Air Transport Association
- Civil Aviation Authority of the Philippines (CAAP)
- Civil Aeronautics board

Memberships in Associations

- Air Carriers Association of the Philippines (ACAP)
- Air Operators Council (AOC)
- International Air Transport Association (IATA)
- Board of Airline Representatives (BAR)
- Philippine Business for Social Progress (PBSP)
- Philippine Management Association of the Philippines (PMAP)

Compliance with regulators on COVID safety standards

- Department of Labor and Employment (DOLE)
- Department of Health (DOH)
- Inter-Agency Task Force (IATF)

CEB was formally recognized as a member of the (PBSP) in 2020. PBSP is the largest corporate-led non-government development foundation in the Philippines. Prior to formally becoming a member of PBSP, Cebu Pacific had been collaborating with the organization on projects for underprivileged communities in Pasay City, home to CEB's Airline Operation Center, as well as airlifting much-needed humanitarian supplies to displaced residents during the siege in Marawi in 2017.

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Our Sustainability Journey

Our sustainability commitment is aligned to our corporate purpose:

CEB Purpose

To move people, create opportunities, and broaden perspectives, enabling everyone to lead richer and fuller lives.

Our Sustainability Commitment and Business Philosophy

Enabling EveryJuan to Fly



We commit to offering accessible, affordable, safe, and reliable travel experience to our customers.



We seek to elevate EveryJuan's experiences through our customer-first mindset, digital innovation, and efficiency improvements.



We conduct our business in an ethical manner, with the welfare of our employees, the community, and the environment in mind.

Our Sustainability Framework

Growing as Juan Family

Caring for Juan Planet

Creating Juan Community

This is the second Sustainability Report of Cebu Pacific. The practice of monitoring and reporting our overall operations allows us to identify areas we can strengthen and areas on which we could improve. It is still the early part of our sustainability journey but, we continue to evaluate our operations to ensure that we offer the maximum positive impact we can provide our stakeholders.



Stakeholder Concerns

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Our stakeholders are at the heart of our ambition to enable everyJuan to fly again.

We always strive to delight our customers. We acknowledge that our business partners—cargo shippers, suppliers, and service providers—support our efforts towards achieving that ambition.

Recognizing our responsibilities to investors and regulators, we ensure that we manage and operate the business to meet their expectations. To achieve this, we collaborate with like-minded partners who share our goal of making positive contributions to society.

Cebu Pacific maintains open communication with its stakeholders through various engagement channels. These channels enable us to prioritize and immediately respond to their concerns. For this report, we went a step further and conducted specific activities to learn how our stakeholders understand sustainability, specifically in the areas relevant to Cebu Pacific and within our scope of influence. We utilized surveys and focused group discussions to gain insight into our sustainability performance and into the material topics covered in this report.

Stakeholder Group	Concerns in 2020	Channels of Engagement	CEB'S Response
Customers (Individual and Corporate)	• Health and safety • Value for money • Quality of pre-ordered meals • Flight cancellations and last-minute schedule changes due to lockdowns • Refunds	• Post-flight survey	• Established COVID-19 protocols across all processes • Collaborated with suppliers' Quality and Marketing teams to produce better quality products
Cargo Shippers	• Limited number of flights • Strict implementation of closed borders • Revenue loss due to lack of business • Goods not qualified for shipment/ damaged goods	• Coordination meetings, emails	• Coordination with approval bodies • Cargo only flights • Implementation of Shippers Accreditation Program, Safety Enhancement Program for Forwarders • Implementation of on-time reporting of Dangerous Goods incidents
Regulators	• IATF-DOLE, DOH compliance with COVID guidelines	• DOLE Online Report Submission • Emails/meetings with CAAP	• Social distancing floor markers • Installation of alcohol dispensers • Signage regarding frequent handwashing • Thermal scanning at all entrances
	• Continuity of Food Safety certification due to COVID protocols	• Emails, calls, and video conferencing with the Bureau of Quarantine-Department of Health	• Arranged the 1st Online Food Safety Seminar for Catering employees through the Bureau of Quarantine training
	• DOLE reports on redundancy and COVID 19 cases, work arrangements (reduced, full, onsite, and work from home)	• Emails and Memorandum Guidelines or letter • Memorandum and Department Orders	• Internal communications • Learning modules and micro-courses on New Normal
	• Reduction of carbon emissions		• CORSIA reporting compliance

Stakeholder Group	Concerns in 2020	Channels of Engagement	CEB'S Response
Employees	• Health and safety during COVID • Job security • Mental health • Application of best practice strategies for fuel savings • Hazards in the workplace/ operations • Fatigue	• Direct request (Emails, Viber, and Teams) • Email/meetings • Safety Reporting System/Safety Dashboard • Fatigue Risk Management System	• Established Disinfection Team • Regular sanitation of work area • Malasakit Transition and Outplacement Programs • Virtual wellness activities • Teleconsulting Programs and Counseling (mental health) • Communication of best practice • Performance monitoring and feedback • Hazard analysis, risk assessment, and endorsement to concerned departments for mitigation discussed in the Airline Safety Review Committee meetings or Executive Safety Review board
Suppliers and Service Providers	• Non-operations due to the pandemic • Outstanding balances for 2020 contracts/invoices • Contracts due for renewal	• Emails, calls, video conferencing, • Continuous performance reviews • Memorandum of Agreements	• Involved SMEs/local suppliers for the new normal product offerings and crew meals • Negotiated options on the payment terms/schemes, projects on hold, licenses and services on hold • Non-renewal of contract for services no longer needed in 2021
Investors	• Financial viability and return on investment • Ethical standard for governance and business conduct	• Annual shareholders' meeting • Quarterly Results Briefings • Investor Relations meetings (one-on-one) • Open lines of communication	• Strengthening financial performance and operational statistics • Maintenance of good corporate governance

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Stakeholder Group	Concerns in 2020	Channels of Engagement	CEB'S Response
NGO Partners	• Availability of resources to sustain operations • Airlift support, especially in times of calamities and crisis	• Calls, emails, on-site and off-site volunteer work	• Engaged employees, suppliers, NGO, LGU, and government agencies for Locally Stranded Individuals (LSI) assistance • Coordination and partnerships with NGOs

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Our Material Topics

Our materiality process is aligned with the GRI Standards and the Securities and Exchange Commission (SEC) sustainability reporting requirements. The topics cover the key aspects of our economic, environmental, and social performance. We also considered the feedback and insights from our stakeholders in updating the list of concerns for this reporting period.

Sustainability Framework	Material Topics	GRI Disclosures
OUR BUSINESS PHILOSOPHY (Enabling EveryJuan to Fly)	Financial performance	201-1 Direct economic value generated and distributed 201-2 Financial implications due to climate change 203-2 Significant indirect economic impacts
	Corporate governance and socio-economic compliance	419-1 Non-compliance with laws and regulations in the social and economic area
	Customer service and satisfaction Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data
	Product Quality	*Accessibility of international and domestic flights On-time performance
	Product and Service Innovations	

Sustainability Framework	Material Topics	GRI Disclosures
GROWING WITH OUR PEOPLE (Growing as Juan Family)	Employment and workforce management	401-1 New employee hires and employee turnover 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees 401-3 Parental leave
	Training and Development	404-1 Average hours of training per year per employee 404-2 Programs for upgrading employee skills and transition assistance programs
	Occupational health and safety	403-1 Occupational health and safety management system 403-2 Hazard identification, risk assessment, and incident investigation 403-3 Occupational health services 403-4 Worker participation, consultation, and communication on occupational health and safety 403-5 Worker training on occupational health and safety 403-6 Promotion of worker health 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships 403-9 Work-related injuries 403-10 Work-related ill health
	Procurement practices, supplier and contractor management	204-1 Proportion of spending on local suppliers

Sustainability Framework	Material Topics	GRI Disclosures
MINIMIZING ENVIRONMENTAL IMPACT (Caring For Juan Planet)	Environmental Impact and management	302-1 Energy consumption within the organization 302-3 Energy intensity 302-4 Reduction of energy consumption 303-1 Interactions with water as a shared resource 303-2 Management of water discharge related impacts 303-3 Water withdrawal 303-4 Water discharge 304-4 Habitats protected or restored 305-1 Direct GHG Emissions 305-2 Indirect GHG Emissions 305-4 GHG Emissions intensity 306-2 Waste by type and disposal method 306-4 Transport of hazardous waste
ENGAGING OUR COMMUNITY (Creating Juan Community)	Partnerships for development	102-12 External Initiatives 102-13 Membership of associations 413-1 Operations with local community engagement, impact assessments, and development programs 413-2 Operations with significant actual and potential negative impacts on local communities





SUSTAINABLE DEVELOPMENT GOALS

Our Contribution to the United Nations Sustainable Development Goals

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Sustainability in CEB does not only cover the airline's recovery plan and long-term stability, but also its capability to boost its positive contributions to society. Our continued success impacts the tourism sector and creates a ripple effect on economic growth and job creation all over the Philippines, particularly in the areas to which we fly. Through our operations and initiatives, Cebu Pacific seeks to play a significant role in 6 out of 17 SDGs.



SDG 2 - Zero Hunger

Aviation can move essential supplies over vast distances quickly. CEB transports perishable agriculture products and supports the transport of humanitarian aid. As passenger travel declined in 2020, CEB ramped up its cargo operations to ensure the unhampered exchange of goods across our service areas. In 2020, 33.1% of cargo transported were food and agriculture items.

CEB also maintained its air safety certification by IATA through the Operational Safety Audit (IOSA) program. CEB is subject to a comprehensive audit twice a year to assess its safety programs and performance.

CEB has implemented strict measures to prevent risks of COVID-19 transmission for both staff and passengers.

We put a premium on food quality and safety. All meals, snacks, and drinks served during the flight are prepared by accredited local caterers to ensure quality and adherence to food safety standards. Laboratory tests are conducted on all meal samples to verify their food safety. Our inflight catering services have obtained both HACCP and Halal certification. Information on known allergenic ingredients is provided to customers.

SDG 3 - Good Health and Well Being

CEB also delivers urgent medical shipments, including medicines, organs, and blood. 10.6% of cargo carried in 2020 was for medical purposes. CEB supports the Philippine Red Cross by transporting blood donations for free – total blood donations transported in 2020 was 797 kg across 9 destinations.

SDG 8 - Decent Work and Economic Growth

Cebu Pacific assures employees of stable employment and security of tenure. The majority of our workforce are employees under a full-time employment contract.

Cebu Pacific started 2020 with 4,202 employees and closed the year with 2,662 employees. A report released by the International Air Transport Association (IATA) shared that each job in the Philippine air transport industry supported another 26 jobs in the tourism and travel industry.

Cebu Pacific empowers local suppliers by creating opportunities for small and medium enterprises to be part of our inflight catering services.



SDG 10 - Reduced Inequalities
CEB's commitment to provide access to the widest domestic route network, safe and reliable travel, and best value flight experience, all contribute to improved connectivity. These help build economic development, which in turn lifts standards of living. The greater mobility facilitated by air travel creates more job opportunities, expands business reach, and encourages tourism.

Our low-cost carrier business model has made travel more accessible to more people. CEB continues to provide the lowest airfares in the market with its Piso Fares to enable everyJuan to fly.

CEB opened 2020 with 118 routes, shrank to 48 routes by December 2020. Operations were hampered by the COVID-19 pandemic, with the CEB route network shrinking to 53 routes by end of December 2020 due to travel restrictions imposed by local governments.

With 74 aircraft in service, CEB transported a total of 5,026,112 passengers, gaining 47% market share against key competitors in the air travel industry.

CEB has partnered with the United Nations International Children's Emergency Fund (UNICEF) Change for Good program, a campaign designed to collect spare currency from passengers that benefit vulnerable children around the world. CEB is the first airline partner of UNICEF in Southeast Asia and the only partner in the Philippines. For 2020, CEB was able to turn over PHP4,132,100 in combined donations and unclaimed left behind cash to the program.



SDG 12 - Responsible Consumption and Production
CEB advocates for sustainable tourism through its Juan Effect program. The Juan Effect advocacy, currently in place in Boracay, Siargao, and Bohol, engages the local community, the government, and tourism stakeholders in educating travelers about their responsibilities as tourists. It promotes the idea that one small act done by a lot of people—be it bringing a reusable water bottle, using an eco-bag, or throwing trash properly—can reduce negative impact to the environment. Since its launch in 2018, the Juan Effect movement has gathered 21,853 green pledges on the website.

All CEB flights have been using more sustainable alternatives to replace plastic spoons, forks, stirrers, and cups on all domestic and international flights.



SDG 13 - Climate Action
Cebu Pacific supports the global aviation industry's goals to address climate change impact, which are as follows:

- Annual average fuel efficiency improvement of 1.5%
- Stabilize net CO_2 emissions for international aviation at 2019 levels with carbon-neutral growth by 2025
- Reduce CO_2 emissions to half of what they were in 2005 by 2050

CEB is reaching for these goals through fleet modernization and investments in management systems to keep fuel utilization efficient and lower carbon emissions per ASK. We have begun voluntarily disclosing our carbon emissions to CAAP in preparation for the implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) program. We continue to find opportunities to further reduce emissions.

103-3 | 203-2



Safer Flights for All

Risk Management and Safety

102-11 | 103-1

As a commercial business, CEB is exposed to economic, political, regulatory changes and operational, financial, social, and environmental risks. To ensure that the Company remains resilient to external shocks, we proactively work to reduce the likelihood and occurrence of events that can harm our business. We conduct our risk assessment and mitigation plan by identifying potential threats, developing an effective risk management plan that addresses these threats and other vulnerabilities that can affect our operations, and continuously assess and monitor the effectiveness of our mitigating actions.

Enterprise Risk Management

We created the Enterprise Risk Management Group (ERMG) to spearhead the implementation of a risk management framework that will enable us to manage our fundamental risk issues. Departments are empowered to identify, assess, prioritize, and formulate responses for risks. Risks are then reported to three main risk committees that meet monthly: Data Privacy, Business Continuity, and Sustainability (DBSB); Airline Safety Review Committee (ASRC); and Treasury Risk Management (TRM). These committees, led by members of senior management, classify and evaluate significant risk issues, identify trends, and monitor the status of mitigating actions applied. CEB uses a risk framework to assess risks and determine priorities according to the level of severity and likelihood of events. Decreasing trends of risk events determine the effectiveness of the risk management process. An executive summary of risks and actions is reported semi- annually for the Board Risk Oversight Committee (BROC) to review.

The following table summarizes the risks we monitor and how we manage them.

Category	Risks	Mitigation
Strategic Risks Risks that either affect or are created by business strategy decisions	International market growth aspiration despite the slowdown in travel demand	Focus on the growth of the domestic market Maximize aircraft capacity through improved cargo capabilities
Reputational Risks Risks that affect the good name or standing of a business or an entity	Reputational damage from isolated incidents	Continuous improvement of response and resolution times through customer listening channels and investment in digital platforms with analytics
Financial Risks Risks where there is a possibility or danger that shareholders, investors, or other financial stakeholders will lose money	Fuel price/currency fluctuation	• Customized travel and increased geographic presence • Procurement of a more fuel-efficient fleet • Fuel hedging • Foreign Exchange Hedging
	Effects of the pandemic	• Transition to local procurement • Implementation of CEB transformation plan to push for operational efficiencies and cost-cutting measures
Human Resource or Social Risks Any people, culture, or governance factors that cause uncertainty in the business environment that could adversely affect the Company's operations	Effects of the Pandemic: Mitigating the spread of COVID-19	• Antigen testing for flight and ground crew before duty • Enhanced health declaration procedures for staff reporting in headquarters
	Health and Mental Well-being of Staff	• Upholding psychological welfare of staff through tele-counseling and mental health webinars • Continuous learning via CEB-U On the Go
	Customer Expectations	• Implementation of contactless flight guidelines to reduce face-to-face interaction. This includes the enhanced online customer journey specifically through the digitalization of booking and check-in procedures. • Test Before Boarding
Compliance or Regulatory Risks Exposure to legal penalties, financial forfeiture, and material loss an organization faces when it fails to act according to industry laws and regulations, internal policies, or prescribed best practices	National and local government policies affecting air travel to curb COVID-19 transmission	Continuous collaboration with the national and local government units to simplify and standardize travel regulations
	Regulatory compliance risk	Adherence to official procedures and rules of governing affairs
	Impending carbon controls	Accounting of greenhouse gas emissions and identification of opportunities to reduce emissions and assess reforestation projects for offsetting opportunities
Data Privacy Risks These refer to the harm on an individual's (e.g., customer's) personal information when they are disclosed, modified, deleted, or become unavailable, without the individual's consent	Cybersecurity	• Development of a Data Privacy Manual incorporating data privacy principles and protocols • Recurrent review and development of technology-based solutions against cyber threats
	Breach of customer data privacy	Continuous penetration testing to identify and address critical weaknesses

Category	Risks	Mitigation
Operations Risks These refer to those Risks that arise from day-to-day business activities	Aircraft accidents and security threats	• Implementation of Cebu Pacific's Integrated Safety, Quality, and Security Policy that emphasizes the role of each employee in maintaining CEB safety standards • Improved flight data monitoring • Continuous improvement of our Fatigue Risk Management System
	Safety hazards	On-time assessment of safety reports submitted through Intelex, our safety reporting system software
	Airport infrastructure constraints	Optimization of flight network, aircraft, and resources to reduce operational delays
Technology Risks These refer to any potential for technology failures that can disrupt the business, such as information security incidents or service outages	Obsolescence of computer software and hardware	Mass migration of obsolete IT assets
	Vulnerability to code execution attacks	• Phishing Simulation • Security Awareness Training for all employees • Multi-Factor Authentication as an additional layer of security against unauthorized users
Environmental Risks Actual or potential adverse effects on living organisms and the environment (e.g., effluents, emissions, wastes, resource depletion) due to the organization's activities	Delayed or suspended flights due to calamities	Investments in weather station installations for more accurate weather forecast at destinations
	Bird Strikes	Active collaboration with the authorities on reported hazards and events related to birds or other wildlife in the airport
	Accidental discharge of hazardous waste and harmful emissions into the environment	Regular monitoring of environmental compliances and application of best practices in terms of resource efficiency, including fuel efficiency and carbon emissions reduction, as well as solid waste and wastewater management.

102-15 | 102-30



World-Class Safety: Cebu Pacific's Safety Management System

CEB is committed to providing and maintaining a safe and healthy work environment. We cultivate a "Just Safety Culture" where we encourage all our stakeholders, especially our employees, to be involved in the continuous improvement and implementation of an effective and efficient safety management program. Their active participation in safety reporting provides first-hand data on identifying hazards and risks. Our objective is to constantly improve CEB's Safety Management system through better risk documentation, identification of current and potential risks, and creation of appropriate risk mitigation and management plans that benefit our operations, our facilities, our aircraft, and our manpower – this multi-pronged approach is how we ensure business continuity in case of emergencies or local and global developments.

Our Safety Management system enabled us to manage identified risks, and this proved to be relevant especially during the pandemic where the airline industry needed to shift quickly. We assessed and identified potential risks and hazards that affect our personnel and operations. After which, we provide relevant safety and security training to all our personnel while making available any additional training needed based on the reports and the identified aviation-related processes and incidents.

We treat our employees and stakeholders fairly while also holding them accountable for their actions. We utilize Intelex, a Canadian safety solution software, as our primary safety reporting system. Through Intelex, all employees are able to report hazards, accidents, and incidents, and mitigating actions provided. Intelex also provides a platform for risk analysis and monitoring of our Management of Change process. Other platforms we utilize aside from the electronic reporting system are flight data monitoring, web-based fatigue risk management analysis, and an electronic dashboard – all of which are easily accessible to the operational departments.

We also strengthened our health protocols to ensure our employee's and flier's health. Our Fatigue Risk Management System ensures that our pilots and cabin crew get sufficient rest before and after their flights. As we encourage our fliers to do contactless flights through online booking and self-bag-tagging, we also strengthened our data privacy security measures. We also complied with the COVID-19 standards stated by DOH, DOLE, and the IATF by providing Traze–a unified national QR code-based app–and testing kits, and coordinating with the local government units of our destinations to ensure our fliers have the needed requirements for entry.

Safety and security are crucial in Cebu Pacific's operations. Thus, we involve our personnel in our safety and security measures to create all-encompassing policies and action plans that the carrier will implement. We constantly monitor, evaluate, and mitigate risks and hazardous conditions to ensure that we provide safer flights for everyJuan.

102-15 | 102-30

103-1 | 103-2

Safety is our Priority

CEB takes everyJuan's welfare very seriously as it promotes a safety culture across the organization through a company-wide Safety, Quality, and Security Policy. We dedicate the necessary resources to provide the highest quality of safety, security, care, and service to our customers and staff well beyond the regulatory requirements. Our overall objective is the proactive management of identifiable hazards and their associated risks to prevent negative impacts on aviation safety and security, prevent damage to assets, and avoid harming people and the environment.



1. Operational

Safety, Quality, and Security

We emphasize the importance of every employee's role in maintaining a safe operating environment for all, while also encouraging everyJuan to actively participate in controlling and minimizing risks. Our Safety, Quality, and Security (SQS) Department handles CEB's compliance with local and international regulations, and oversees the outcomes, findings, and solutions for flight and ground safety procedures. The Department also ensures that all employees have access to a safety reporting system that allows extended visibility for safety and risk issues.

Training and Education

Safety training and education are an essential foundation for the development and maintenance of a safety culture. All staff are required to undergo different levels of Safety Management System (SMS) Training depending on their job level. SMS Level 1 is required for all staff, and also serves as a prerequisite for Levels 2 and 3 training designed for Middle Management and Senior Management, respectively. The training is required upon joining the organization and must be completed every three years. Employees must score a minimum of 85% in the safety exam to complete the requirement. In 2020, Pilots, Cabin crew, and maintenance employees underwent additional COVID-19 measures training.

Other required safety training include:

- SCOPE-Safety (for all new employees)
- First Aid/ Basic Life Support (Health and Safety Officers)
- Basic Fire Safety/ Firefighting Training (Station Ramp Personnel, Health and Safety Officers, Fuel line operations personnel, Flight and Cabin Crew)

Disseminating Safety Information

Part of our safety culture is being transparent to our employees and keeping them updated on the latest safety issues and developments within and outside Cebu Pacific's flight and ground operations. Safety Digest is CEB's quarterly digest prepared by our SQS Department as part of the Cebu Pacific Safety Program. It covers the Company's current news on safety, incident reports monitoring and mitigation, and an Intelex white paper feature on occupational health and safety and risk assessment and mitigation.

These stories and statistics shared across the organization serve as reminders for everyJuan to be constantly vigilant of every potential hazard. The Safety Digests are used to enhance safety awareness, understand the nature and cause of incidents, and learn and prevent similar incidents from happening in the future.

Management of Change

CEB experiences constant change due to the expansion or introduction of new equipment and procedures. We keep track of these changes both inside and outside our organization and acknowledge that these may impact the safety of our operations. Internal changes include management or organizational changes, operational requirements of new destinations, acquisition of new equipment, or the introduction of new procedures. On the other hand, external changes include changes in regulatory requirements, changes in contracted services, among others.

CEB implements the Management of Change process as part of its Safety Assurance to ensure that hazards and risks are identified and managed before implementing any changes. This process is done through Intelex for ease of tracking and monitoring.

Flight Data Monitoring Program (FDM)

The Flight Data Monitoring (FDM) program is a safety and risk management tool we use to identify deviations from the procedures or areas of risk inflight. FDM's predictive and systematic use of digital flight data from routine operations help identify any adverse safety trends as early as possible and enable mitigating actions before the risk results in an incident or an accident. The mitigating actions applied will be closely monitored to assure that the unsafe conditions are effectively corrected.

This program allows CEB to implement systematic processes for identifying, analyzing, and sharing potentially hazardous conditions; and to predictively produce relevant analytical information and data used by operations managers to prevent accidents and incidents.

The FDM program is non-punitive and aims to improve operating procedures, flight training, air traffic control procedures, and aircraft maintenance procedures

103-2

Intelex Safety Reporting: #SafetyForAll

CEB promotes an open environment where everyJuan can speak up. We provided a safety reporting system where they can input threats or incidents that affect them and CEB. Each employee can easily access the safety reporting system through their desktop and mobile devices to create their reports. We ensure the safety of our employee's personal information by complying with data privacy policies.

The safety reporting system allows us to capture the risks and hazards for faster assessment and resolution across the organization. The safety reporting system's dashboard is powered by Tableau, a business intelligence tool providing real-time visibility of the safety report's status, the trend in the occurrences of risks, as well as risk ratings. Then, the safety officers analyze the consolidated data. The initial assessment performed by the safety officers is endorsed to the concerned departments or offices for proper handling. In the case of unresolved issues that need further action, they are elevated for further review to the Airline Safety Review Committee, which is part of the ERM risk reporting structure, along with the Executive Safety Review Board.

We value the input of our employees towards creating a better Cebu Pacific. By monitoring, assessing, and implementing action plans that address potential hazards and risks to the organization, we encourage our people to be accountable and responsible for their actions. Our safety management systems allow us to learn from previous incidents and avoid repeating them while creating better safety practices that lessen potential risks and hazardous incidents from occurring.

	2019 Safety Reports	2019 Hazard Reports	2020 Safety Reports	2020 Hazard Reports
5J	9,301	5,600	2,506	1,643
DG	1,701	698	542	344
TOTAL	**11,002**	**6,298**	**3.048**	**1,987**
Processing rate of safety reports	2019 = 100% | 2020= 100%			

Top safety issues based on the Safety reporting platform (Intelex)

1. Aircraft damage/Ground Servicing equipment
2. Birdstrike
3. Foreign Object Debris (FOD)



Captain Manny Ilagan
Vice President
Safety, Quality, and Security

We empower our employees to identify hazards and risks and report these through our accessible Intelex Safety Reporting System. This enables the Safety Section of Safety, Quality and Security Department to conduct investigations with the purpose of understanding the conditions and causes of safety incidents so that we can prevent it from happening in the future. This constant feedback loop exists not to blame anyone, but to instill the culture of accountability and safety to everyJuan

103-2



2. Cargo Transporation

Hazardous cargo

Dangerous or hazardous shipments are articles or substances capable of posing a threat to health, safety, property, or the environment. CEB Cargo services practice standard safety, segregation, and handling guidelines to ensure proper storage and cargo transportation. Any cargo detected to contain explosives, weapons, or prohibited drugs is referred to the law enforcement official or local authority for proper handling.

Animal transportation

CEB only transports animals with a Local Transport Permit and Quarantine/Veterinary Certificate issued by the Bureau of Animal Industry certifying that the animals are acquired from legal sources and are free from communicable diseases. We strictly abide by the DENR policies regarding carrying and shipping wildlife to avoid wildlife poaching and smuggling.

Cargo risk management

CEB continuously manages risks from undeclared dangerous goods by implementing a Safety Enhancement Program that raises awareness and educates shippers about the risk of sending undeclared dangerous goods and informing them of the consequences of their actions. Also, all shippers are subject to a penalty system for any attempts to ship dangerous goods.



3. Environment

Handling hazardous waste

Our operations generate various hazardous waste, including mercury compounds, used oil filters from generator sets, empty cans, and containers. These items are hazardous and pose a threat to the health and general welfare of CEB employees, CEB's surrounding community, and to the environment. These hazardous wastes must be carefully and accordingly disposed of following the prescribed and recommended procedures of national and international governing and regulatory bodies.

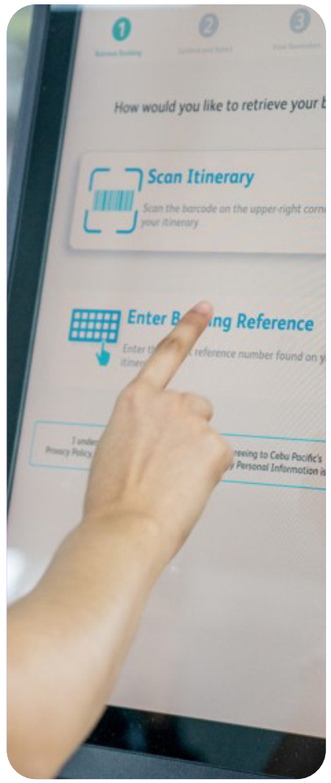
In 2020, CEB generated a total of 49,872 kg of hazardous waste. The carrier's Admin and Facilities department released guidelines on waste handling and engaged with accredited Treatment, Storage, and Disposal (TSD) Facilities to ensure these wastes are treated before proper disposal.

Safety teams conduct facilities inspection to determine unsafe acts and conditions. In case there are noted findings on hazardous waste, these are then endorsed to the concerned department through the Intelex for corrective and preventive action.

103-2

Elevating the Travel Experience through Digitalization and Customer Experience Improvement

The travel and tourism industry may have slowed down during the pandemic, but the situation accelerated CEB's digitalization plans along with the optimization of customer experience. Driven by the early foundations that were already set, CEB was able to respond quickly and implement different ways of doing things effectively during the new normal. These programs aim to provide fliers peace of mind when flying with CEB, from booking to deplaning.



Operations efficiency through digitalization

Our digital transformation in Cebu Pacific aims to further improve the overall Customer Experience. Everything we do revolves around the customer, and the integration of technology into all areas of the business will allow us to improve the way we operate while delivering value. The programs introduced into the workflow not only resulted in more efficient operations, but also kept our workforce and customers safe from the virus.

We invested and implemented the following digitalization efforts for more efficient operations:

- Digitalization of booking, payment, check-in, and care channels to conform to new customer expectations
- Improving supplier and back-end processes by simplifying and automating processes such as agent management, fuel report processing, sourcing, and procurement of engineering and maintenance materials
- Digitalization of end-to-end engineering and maintenance process, records management, and logbook implementation
- Automating the cargo journey experience to increase productivity via paperless and real-time transactions



Laureen Cansana
Chief Information Officer

"Technology challenges the status quo, unlocks new opportunities and delivers new efficiencies.
One of our technology strategies is to go Cloud-First, thus we are moving our legacy applications to the cloud to have a more stable and adaptable environment.
We have also created an Agility Platform as part of the new IT Architecture which will allow us to integrate applications thru APIs (Application Programming Interfaces). This architecture will allow our applications to talk to each other thru a "plug and play" concept which will further improve our time to market. Both of these strategies will provide us to have a flexible and scalable environment that will enable us to address our customer requirements almost in real time and fulfill part of our Digitalization roadmap.

Customer-First Mindset

To ensure that we are able to restore passenger trust confidence in CEB, we launched a comprehensive campaign called #EveryJuanWillFlyAgain. Materials consist of new normal processes for passengers – from the pre-flight experience up to deplaning and arrival.

Apart from ensuring that all CEB personnel are wearing PPEs and common surfaces are regularly sanitized, we have rolled out Contactless Flights for everyone to travel with peace of mind.

CEB also created a centralized page on its website to serve as a one-stop-shop for passengers to check information related to contactless flights, flexibility and testing options, routes, up-to-date travel requirements for each destination, and frequently asked questions.

The following digital innovations embedded into our passenger journey make flying in the new normal safer, more convenient and more efficient.





Passenger Journey in the New Normal



Initial and Manage Booking

Passengers are encouraged to book flights directly via the CEB website. All ticketing office transactions can be done online through the website or any of our agent-assisted channels, both available 24/7.

Passengers can also update their information and manage their bookings online, as well as select their preferred option in the event of any flight disruptions.

Traze
CONTACT TRACING

Before going to the airport

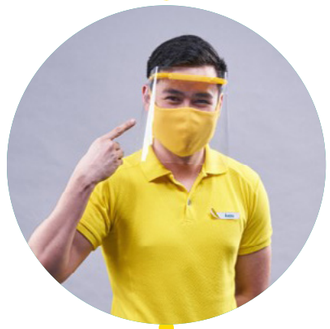
Online check-in is available for all passengers and is highly encouraged. Collection and updating of personal information online also support our contact tracing efforts.

For domestic flights, passengers who don't have any baggage can go straight to the boarding gate. Otherwise, they should first tag their bags via our self-bag tagging kiosks before proceeding to bag drop counters.

Passengers are advised to download the TRAZE Contact Tracing App and register for an account. Passengers transiting through all airports in the Philippines must register in the app and scan QR codes at designated areas in the airport. This requirement is included in our pre-flight reminder notifications, our website, and social media pages..

Passengers are encouraged to eat before flying or pre-order inflight meals. As part of our health and safety precautions, we limited our offers on our buy-on-board service.

Face masks and face shields are required for all flights, from entering the airport to arriving at your destination. Guests without face masks and face shields will be denied boarding or offloaded from the flight.



At the Airport

- Only guests wearing a face mask and a face shield, and with valid travel documents shall be allowed entry to the airport.
- Contactless temperature check and thermal scans shall be conducted by airport officials



Check-in and Bag drop area

- Passengers who were unable to check in online can utilize check-in kiosks available at key airports. We also made available self-bag tagging in the NAIA Terminal 3 to reduce face-to-face contact.
- In areas without the kiosks, passengers can hold the boarding pass and ID with the barcode facing the check-in agent for touchless scanning.



Pre-departure and Boarding

- We have designed new boarding procedures meant to facilitate physical distancing for safe and orderly boarding. Passengers will present their identification and hold their boarding passes facing the agent for touchless scanning.



Inside the aircraft and while inflight

- The cabin crew will be positioned at the aircraft door to spray guests' hands with alcohol.
- Passengers are not allowed to change seats inflight for purposes of contact tracing. Cabin crew, however, may reseat guests for safety and health reasons.
- Pre-ordered meals shall be served accordingly, but buy-on-board services are limited to only a few essential items.



Deplaning and disembarkation

- Deplaning is done per row to maintain orderliness and physical distancing. The cabin crew announce new deplaning and disembarkation procedures for passengers' ease.
- Items for disposal are collected near the exit door. Guests are requested to bring these forward during deplaning.



Arrival at the airport destination

- Guests are expected to follow airport authorities for thermal and temperature scanning, submission of applicable health declaration forms, and other arrival procedures.
- Guests from international airports are mandated to go through RT-PCR testing and a 14-day quarantine



Post-travel

- Post-flight feedback surveys are sent to passengers to continuously improve the airport and inflight experiences.
- For any concerns, passengers may reach out to the CEB Customer Care team, available 24/7 through Facebook, Twitter, or through Charlie the chatbot on the CEB website.



Customer Flexibility Options

Millions of passengers were affected by travel restrictions brought about by the pandemic. We have adjusted our customer policies and offered flexibility options for our customers to manage their disrupted and/or unused flights. These could all be managed online conveniently through the Manage Booking portal on the CEB website. Those who booked their CEB flights through travel agencies were advised to transact with their respective agents for assistance.

Unlimited Rebooking
Passengers who wish to postpone their trip or have flights that have been cancelled may avail of unlimited rebooking. CEB permanently removed change fees, allowing everyJuan to rebook as many times as they need. A minimal fare difference may apply.

Two-year Travel Fund
The Travel Fund is a virtual wallet where passengers store the value of their unused bookings. This can be used to book a flight or pay for ancillary services such as baggage allowance or seat selector.

Refund
Passengers with cancelled flights can opt to request for refund of their booking.

CEB continues to process a high volume of refund requests due to COVID-19 related flight cancellations. By the end of 2020, CEB has refunded over PHP2.7 billion to affected passengers. These refunds are handled through an automated payment reversal system. Updates are provided to passengers once their requests have been processed.



Customer Communications

We make sure our fliers have various digital platforms to use for any concerns about their flight.

Charlie the Chatbot
Charlie the chatbot allowed us to effectively gather customer concerns and address them promptly without having to endorse to live agents.

Travel Notifications
Flight cancellations and last-minute schedule changes due to the travel restrictions greatly impacted our passengers. We made real-time information available through process automation of flight cancellations, coupled with timely notifications sent via text message or email.





Food safety

Part of our commitment to provide safe flights is to ensure that we are serving our passengers food that meets the highest safety standards. We provide information about any allergenic ingredients used in the food that we serve on board. Halal meals are also available.

All meals, snacks, and drinks served on Cebu Pacific are prepared by accredited local caterers to ensure quality and adherence to food safety standards. The Catering and Sales department ensures that suppliers comply with national laws such as the Food Safety Act of 2013, Current Good Manufacturing Practices, and the Quarantine Act of 2014 for local suppliers. We also comply with the World Food Safety Guidelines for Airline Catering. CEB also operates its own in-house laboratory, where we perform tests on all meal samples, water, and environmental samples in our catering facility.



CEB Health Protect

2020 was a time of uncertainties and CEB recognized everyJuan's need to be protected from illnesses unrelated to travel. A first in the Philippine aviation history, CEB launched the CEB Health Protect, one of CEB's lifestyle insurance packages catering to the customer's needs beyond travel. In partnership with AXA Philippines, CEB Health Protect provides coverage for the top three critical conditions namely cancer, stroke, and heart attack. It also provides insurance benefits of up to PHP1 million, allowing families to receive up to 20% coverage for nine minor critical conditions.



Stewardship for our people, the environment, and our community

Growing as Juan Family

103-1 | 103-2

At CEB, it is not only our flights that are fun – we strive to make our workplace fun for our employees, too. Keeping this fun environment was indeed challenging in 2020 as the business understandably focused on staying afloat. Driven by our corporate values of trust, courage, service, the best of the Filipino Spirit, and integrity, the relationship between CEB and our staff remains strong.

We offered enhanced safety programs, transition support, learning and development programs, interaction platforms, and open lines of communication for the Company and the employees to ride through the turbulence as one family.

We continued to provide genuine care for our employees while exercising honesty and transparency in decision-making. Due to limited operations, our business suffered losses that led us to make difficult decisions in terms of pay cuts, reduction of working hours, and retention of employees. Around 35% of our 2020 headcount availed of the Voluntary Separation Program or were retrenched.

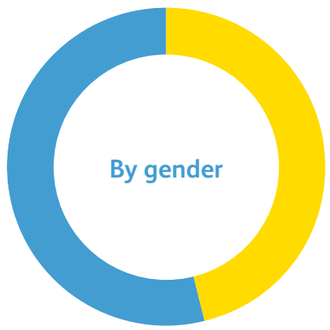


Employee Information

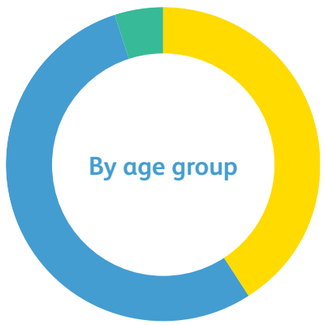
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2,662(100%)

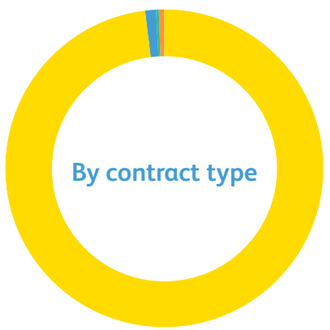
Total number of permanent employees



- male: 1,231 (46.24)
- female: 1,431(53.76)



- Under 30 years old: 1,092 (41.10%)
- 30-50 years old: 1,443 (54.13)
- Over 50 years old: 127 (4.77%)



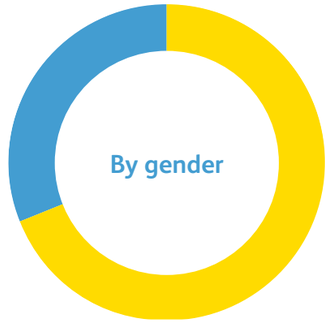
- Regular: 2,617 (98.31)
- Contractual: 5 (0.19%)
- Probationary: 27 (1.01%)
- Consultant: 13 (0.49%)

New employee hires

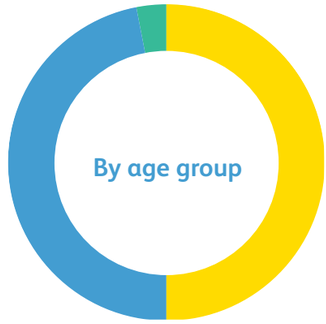
401-1

100

Total new hires for permanent employees



- male: 69
- female: 31

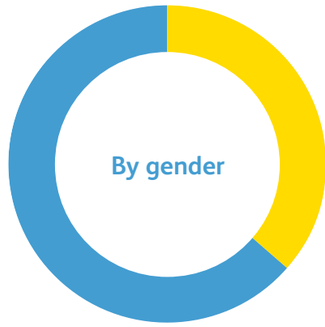


- Under 30 years old: 50
- 30-50 years old: 47
- Over 50 years old: 3

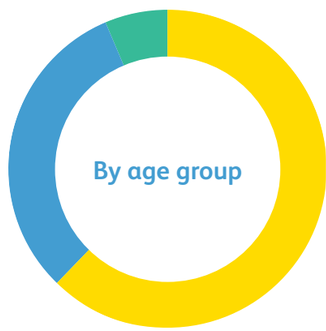
Employee Turnover

1,804

Turnover for permanent employees



- male: 660
- female: 1144



- Under 30 years old: 1126
- 30-50 years old: 564
- Over 50 years old: 114

Reasons for Employee Separation

336

Voluntary

(Early Retirement or Resignation)

1,468

Involuntary

Management Pay Cut

MANCOM took a pay cut of up to 40 - 50% up to 30% for Directors, and 10% for Managers starting April 2020 to present

Sustainability Allowance

of 5k was given to employees who are already on LWOP and whose take home pay was less than 10k per month for May and June.

Php 10.5M - Total Sustainability Allowance paid
25% of Eligible Employeess - Or an average of 1,048 employees granted per month

To compensate for salary adjustments, a sustainability allowance of PHP5,000 was given to employees whose take-home pay was less than PHP10,000 per month for May and June 2020. PHP10.5 million in sustainability allowances were paid to 25% of employees. Cebu Pacific's management committee took a pay cut of up to 40-50%, up to 30% for Directors, and 10% for Managers starting April 2020 to December 2020 to help prevent further layoffs and support the Company's continued operations.

Full-time employee benefits	No. of employees who availed
SSS Salary Loan	Regular employees are 100% covered
SSS Parental Benefits	
SSS Sickness Benefits	
Pag-Ibig Loan	
Philhealth	
Pag-Ibig Housing Assistance	33
Retirement fund (aside from SSS)	93
Health Insurance	2,628
FlexiTravel Insurance	885
Life Insurance	2,650
Rwallet (rice subsidy)	2,620
Medical Allowance	2,620
Vehicle	79
Fleet Gasoline privileges	82

Our People Deal: Moments that Matter for our Employees

103-1 | 103-2



My Personal Experiences	My Growth	My First Impressions	My Workplace
Purpose - Align Personal purpose with Company purpose	**Rewards** - Get Rewarded Objectively	**Brand** - Compelling Employer Brand	**Tools** - Adequate and timely availability of Tools and Resources
Milestones - Highlight life happenings	**Learning** - Various Learning Channels and Methods	**Onboarding** - "First Months High"	**Teams** - Sense of Belongingness to a Team, Collaboration
Celebrations - Celebrate small and big wins	**Development** - Clear Career Path	**Leadership** - Credible and Compassionate Leadership	**Technology** - Digital Transformation

401-2



Felix Lopez
Vice President, People

Employees are our internal customers. Recognizing this fact pushes us to a new way of thinking on how we approach employee experience. The CEB People Deal is about creating moments that matter for our people. It's all about understanding our employees more deeply, co-designing experiences with them that demonstrate care.

We strive to create a unique, meaningful, and fun experience for our employees at CEB, and we continue to do so amid the pandemic. Our People Deal framework serves as our guide in delivering value-based and employee-centric initiatives across four key areas:

A. My First Impressions (Branding, Onboarding, Leadership)

Virtual Internship
The sudden shift to work-from-home arrangements in the midst of the pandemic has disrupted the traditional student internship programs in many organizations, but CEB saw this as an opportunity to continue to engage with our academe partners and students, even if it meant having to operate in a remote environment. The Virtual Internship program was a creative way for us to provide professional value for students and CEB employees, whilst building a pipeline for critical talent and project work. We successfully launched the first batch of virtual internships for the IT department which consisted of 11 students from various IT courses.

Credible and Approachable Leadership
CEB adopted an open-door policy where employees can freely approach our leaders for questions and advice. In 2020, we organized several platforms for interaction with our leaders in the form of virtual town halls and e-Kapihan sessions.

Social Listening Strategies
We value our employees' opinions and strive to design better programs that address their needs. We regularly engage them through several surveys conducted throughout the year, this includes Employee Net Promoter Score, Work Environment Survey, and the JG Summit-led Pulse Engagement Survey.

The Pulse Engagement Survey was launched in November 2020 in order to establish baseline data on employee engagement across Cebu Pacific and other companies in the JG Summit group, validate the effectiveness of people-related initiatives and programs, and be able to develop action plans and address gaps. The survey had a total of 40 questions, which addressed a wide range of dimensions such as employee engagement, collaboration, communication, company leadership, growth and development, pay and benefits, among others.

Despite the challenges of the pandemic, Cebu Pacific achieved an overall employee engagement score of 87%.

Employee Engagement Index

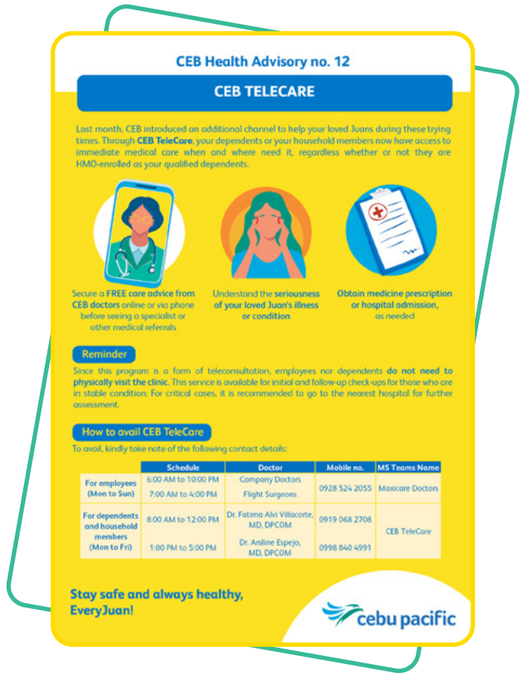
87%	82%	72%	78%
CEB Overall Employee Engagement Score	JG Groupwide Engagement Score	Global Average	Philippine Average

103-2

B. My Work Place (Tools, Teams, Technology)

A multidimensional approach to employee well-being
We make sure to treat our employees as people and not just workers. Cebu Pacific implements programs that cater to the overall well-being of employees, particularly during the pandemic.







Physical	Mental	Financial	Social
• RDT and RT-PCR test • Sanitation process • Daily health declaration	Telemental Health program	Allowances, subsidies, loans	Juan CSR Community

Flexible Work Arrangements
CEB prioritized the development of the remote work policy to protect the health and safety of employees and customers, as well as for business continuity.

All employees whose jobs do not require physical interaction or presence at the office or worksite were eligible to work remotely. This consists mostly of office-based employees whose tasks can be supported with the extensive use of technology, such as computers and mobile devices. Online meeting platforms and other collaboration tools are made available to all employees.

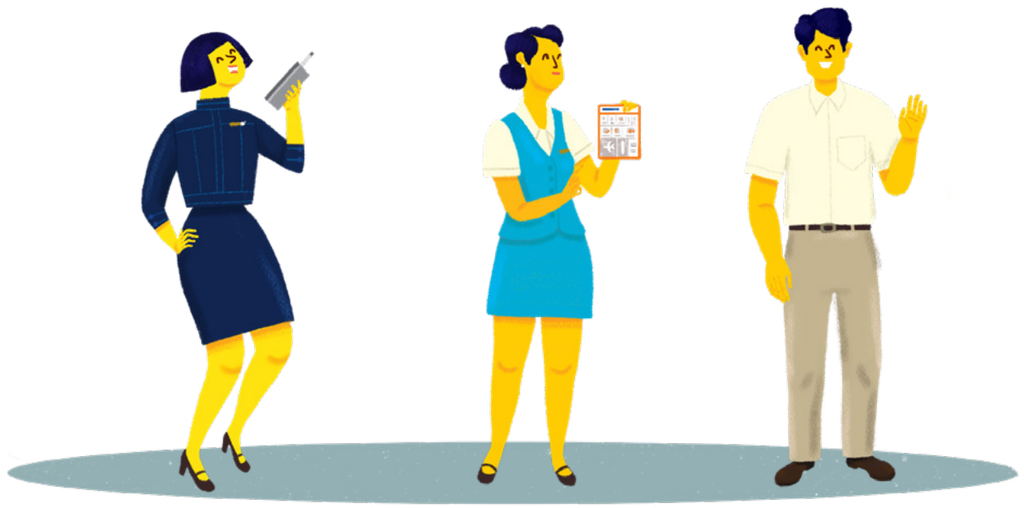
The policy does not apply to employees whose nature of work requires direct interaction with customers or passengers (e.g., cabin crew, pilots, airport staff, security personnel) or requires physical effort and presence (e.g., warehouse staff, fuel technicians, facilities personnel).

Philippine-based employees identified to work remotely must log in their attendance using the CEB Face Scan accessible through the online CEB portal. CEB Face Scan provides an efficient and appropriate time and attendance tracking for employees. This replaced the biometrics system we used in the office prior to the application of the remote work arrangements.

Digitalization of HR Processes
Digitalization of HR processes has always been part of our long-term strategy. We believe that automation and systems integration will lead to an increase in data integrity and efficiency of our HR services. CEB utilized the following programs and applications to transition our paper-based processes to digitized solutions.

- Signnow and Docusign to cater to our e-signature needs
- MyPAGES enables employees to update their personal records such as, but not limited to birthdate, dependents' information, and educational information
- JG Summit's Employee Self-service Portal where employees can process and transact their own government loan applications, certification requests, and other documents online
- Online Daily Health Declaration for onsite employees

CEB will continue to explore different tools and technologies to make work easy for our employees as we move toward rebuilding our operations.



C. My Growth (Learning, Development, Rewards)

404-1 | 404-2



Digital Learning
We are committed to the personal and professional development of our employees. We typically provide a robust training program across job functions and roles. Employees receive customized training aligned with the goals of our business and incorporating the Cebu Pacific brand and culture. Our Human Resources department oversees basic courses, people engagement training, and management and leadership training.

Total training hours provided to employees (face-to-face training at the beginning of the year and virtual classrooms)
2,903

Average training hours per employee
1.09

Learning Platforms
Learning Management System (LMS) - e-learning platform which hosts HR-led training programs.

Cebu Pacific University (CEB-U) – launched in 2018, CEB-U is envisioned to host all continuous learning opportunities for every employee at every level in the organization. CEB-U may partner with schools, consulting firms, and other industry experts to deliver the learning programs.

In response to the restrictions due to the pandemic, CEB quickly pivoted its learning strategy for employees to digital self-paced programs accessible through CEB-U on the Go. CEB-U on the Go introduced learning programs under 29 relevant themes such as Remote Working, Dealing with Change, Optimism and Resilience, and Work-Life Harmony.

cebu pacific university

For the year, CEB-U on the Go achieved:

CEB U on the Go

102
short e-learning modules provided

30,411
enrollmentss



Flight Crew Training

Pilot training includes familiarization with aircraft systems, aeronautical theories, air law, aircraft flight performance, as well as planning, navigational, operational, and emergency procedures. Pilots also undergo practical tests through flight simulations, which they must pass before being released for actual flying. Training hours per pilot vary depending on the type of aircraft handled and their years of experience.

Due to social distancing and health guidelines, all ground training was conducted through Civil Association Authority of the Philippines (CAAP) - approved virtual classes and distance learning. Some regulatory training requirements requiring actual flying times were fulfilled through simulator training. Regular training evaluations ensure that no pilot will be allowed to fly in an actual aircraft unless his skills (Technical and Soft) are up to par with the Company standards.

Regular Cabin Crew training covers all responsibilities ranging from aircraft safety procedures to customer service. Some cabin crew training was done virtually to comply with health and social distancing guidelines. CEB also customized training modules on New Normal Procedures to ensure safety for both crew and passengers. All modified and new training were duly evaluated and approved by CAAP.

Development Programs

Recalibrating performance management

Our Talent Management Team and CEB leadership made adjustments on how employee performance was assessed through the 2020 Performance Flight Plan. While previous appraisals primarily covered business outcomes, for 2020, staff actively working for more than five months were assessed based on individual business outcomes achieved and the demonstrated behavior of the employees as anchored on Cebu Pacific values. We utilized SAP Success Factors for performance appraisal, which could be accessed through desktop or through a mobile app.

A total of 2,207 employees were eligible to undergo the performance appraisal, with 100% completion of the cycle. The process involved one-on-one conversations between immediate supervisors and direct reports, self-rating and supervisor review, and acknowledgment of final ratings.



To the Next Journey: Malasakit Transition Program and Outplacement opportunities prepare employees for life after CEB

Cebu Pacific had to face the tough decision of letting go of some of our employees for the Company to continue staying afloat amid the crisis. Cebu Pacific had to face the tough decision of letting go of some of our employees for the Company to continue staying afloat amid the crisis. The Filipino value of “Malasakit” or deep concern prevailed as CEB designed programs for our people during the pandemic. As part of Juan Family, we did not let them go unprepared – CEB provided various learning sessions to prepare our employees for their life after CEB. As part of Juan Family, we did not let them go unprepared – CEB provided various learning sessions to prepare our employees for their life after CEB. Employees that availed of the voluntary separation program attended a three-hour session with the Ateneo Center for Organizational Research and Development (CORD). The session covered topics such as defining personal stressors, managing personal utilizing tools to prepare for their future employment, and learning stress management techniques. We also held a four-day Malasakit Transition Program for our retrenched employees. In partnership with Thought Leaders Platform, the program offered sessions on rising beyond crisis, career planning, and strategies to keep one’s physical, mental, emotional, and spiritual health in check. We also invited partners from Robinson’s Bank, Pru Life, and AXA Philippines to conduct a Financial Planning session.

On top of the virtual sessions, CEB also aided employees in finding job opportunities in other companies or within the JG Summit Group through a referral program. Fourteen employees found employment in other companies soon after the sessions.

> **Take In-Control of your Life. Gratitude is the Best Attitude Separation from 5J is not the end, [maybe it is] a door opening to new and better opportunities.”**
>
> **Participant**
> *Malasakit Transition Program*

> **Thank you for the little surprise. Thank you, CEB, for the good times and the family that I also found here. See you in our next journeys.”**
>
> **Participant**
> *Malasakit Transition Program*

Rewarding our Employees

Kudos

Introduced at the beginning of the year, Kudos is an online platform where employees can award points and badges to fellow employees to recognize them for a job well done. Kudos also has a leaderboard that features employees receiving the most points and recognition. Once fully operational, Kudos points may be used to redeem prizes or credited to an employee's RWallet account.

D. My Personal Experience (Purpose, Milestone, Celebrations 103-1 | 103-2

Cebu Pacific's corporate values of Service, Integrity, Trust, Courage, and the best of the Filipino Spirit were factored into the 2020 performance appraisal for employees. Employees were also rated on how they displayed values-based competencies in the delivery of tasks and business outcomes.

Specific values-based competencies were defined as follows.

Value	Competencies
SERVICE - We go above and beyond. We are committed and excellent in delivering customer needs	• Customer Service Orientation • Customer Focus
INTEGRITY - We do what is right. We adhere to what is ethical, and we are accountable for our actions	• Stewardship • Compliance
TRUST - We promote a diverse and psychologically safe environment. We are team players and collaborators working towards a common goal	• Collaboration • Open Communication
COURAGE - We are bold and relentless in pursuing innovation and growth	• Embracing Change • Speaking up
BEST OF FILIPINO SPIRIT - We strive to overcome difficult situations while carrying a positive mind and resilient heart	• Resilience • Malasakit (culture of selfless concern)

Celebrations at CEB

CEB employees still had chances to experience milestones as we shifted to online engagements and events. To keep everyJuan engaged and inspired, employees were given platforms to share real-life stories. The Heart of Juan series ran from March 2020 to May 2020 and featured stories of strength and resilience of employees at the height of travel lockdowns. As we gradually reopened, The Bangon Series: Juan of A Kind was launched in October and featured stories of supporting recovery and bouncing back from the crisis. 5J Hooray are news tidbits that highlight CEB's wins in 2020.

To keep the fun alive and employees engaged during special holidays, CEB celebrated Halloween and Christmas through company-wide virtual parties via Microsoft Teams.

Heart of Juan

A Series of #5JStrong Moments

While our wings rest, let's keep each other afloat by sharing stories that will keep our CEB spirits high.

Not All Heroes Wear Capes

Saving People through Service



I have always wondered what a repatriation flight would be like. Last March 26, 2020, I was able to experience it on two flights together with my teammates - FJ, Bertier, Nadine and our flight crew Capt. Marzo and FO Martinez. We did not "work from home" as we were tasked to fly for flights 5J 646 and 5J 690 PPS-MNL route. The repatriation flights were sanctioned by the Department of Tourism (DOT) to bring stranded foreign tourists back to Manila.

When our first passenger for 5J 646 boarded, I clearly remembered her saying that she couldn't believe they were finally going back to Manila and possibly, be back to their home country. Her words struck me and from then on, I felt the weight of what we were doing for them – this may appear to be regular work but taking them back to Manila was an answered prayer for them. Despite being on duty for almost 12 hours with a 2-hour delay, I would say it's one of the most remarkable flights that I've had because of the fulfillment that I gained.



Our hardworking ground personnel from 1Aviation did everything they could to accommodate as many passengers as possible. It was a sight to behold. Everyone was clapping when additional passengers boarded the flight. They were cheering each other and seemed very grateful to be given a chance to go back home. **Hearing them say the words, "thank you for rescuing us," and "thank you for coming to get us," made it all worthwhile.**

Being a Cabin Crew is a risk especially this time when a pandemic is taking over the world. Our yellow uniforms became a symbol of hope for the people: from those in the operations to the entire support group and management. We will continue to proudly wear hope on our sleeves and faith in our hearts that we will get through this trial together.

This is the reason why everyJuan flies. We are in this business of bringing people home, and we will achieve it by being strong.



Christine Joy C. Madamba
Cabin Crew

cebu pacific



5J Hooray!

Painting the Skies Yellow Again

8 flights, **4** domestic destinations from Manila, **728** passengers!

For the first time in over two months, our gears are up and the CEB wings soar again. CEB is the first carrier to start commercial passenger operations for essential travel.



On **June 3, 2020**, CEB flew from Manila to General Santos, Naga and Cagayan de Oro. By **June 5**, we will resume operations between Manila and Cebu. It's a small step, but what's important is that we are flying again.





We are working to gradually increase our flights over the coming days. In the meantime, we would like to thank all our frontliners, our pilots, cabin crew and ground staff who attended our guests and ensured smooth **#DayJuan** operations. We'd also like to thank the rest of the CEB Team who are working tirelessly to manage our customers and our other stakeholders.



As we ramp-up the CEB network, let's continue working together so that ***#EveryJuanWillFlyAgain soon***

cebu pacific



How likely do employees refer Cebu Pacific as a good place to work?

Employee Net Promoter Score (eNPS) increased by 21 points to **+57 points** in 2020 from +36 in December 2019 despite the challenges of the pandemic.

The eNPS is conducted monthly and measures the likelihood of whether an employee would recommend CEB as a good place to work in. eNPS scores can range from -100 to +100.

Our eNPS surveys gather employees' thoughts on working hours, workload, salary and benefits, learning opportunities, career growth, leadership, department communication, work setup, among others. We also ask. "How else can we make your overall working experience better?" This gives us valuable insights into what our employees think is CEB's strengths and areas for improvement. We use these insights to further improve the CEB experience for our workforce.

> **Cebu Pacific is a good place to work in. It's a dynamic organization that offers you opportunities for self-growth and career growth. The management continues to find ways to provide a better and safe working place for its employees.**
>
> **- Cebu Pacific Employee**



Ensuring Our Employees' Health and Safety: Occupational Health and Safety Practices

103-1

At CEB, we uphold our safety culture by ensuring that the whole workforce follows our occupational health and safety (OSH) policies and participates in our safety training and wellness programs. Apart from this, we also encourage our employees to embody this culture by practicing accountability particularly when their actions can impact operations, their fellow employees, and Cebu Pacific.

A. Compliance with OSH standards

103-2 | 103-3 | 403-1 | 403-2 | 403-3 | 403-4 | 403-6

All our office-based and operations activities, from our airports, warehouse, catering, head office, and satellite offices comply with the OSH standards set by the Department of Labor and Employment - Bureau of Working Conditions and the latest COVID-19 policies set by the DOLE, DOH, and IATF. We also submit a monthly Occupational Health and Safety Performance Report to our parent company, JG Summit Holdings.



Employee accountability through safety monitoring

CEB also utilizes a safety reporting platform called Intelex where employees can report any threats or incidents that affect them, including OSH-related incidents they encounter. These reports are reviewed and assessed by our safety officers in the SQS Department, who then endorses these reports to the concerned departments. The SQS Department also validates and approves the course of action taken to close the report. Currently, CEB has 36 basic occupational health and safety (BOSH)-certified safety officers.

The OSH-related incidents are classified as follows: low, medium, high risk, and extremely high risk. For low-to-medium risk incidents, the concerned department will lead the investigation and create the appropriate action plan which will be approved by the SQS Department. For high-to-extremely-high-risk incidents, the SQS Department leads the investigation and coordinates with the concerned department in determining the root cause of the incident, as well as the implementation of corrective and preventive actions. The Quality Assurance team will then validate the corrective actions implemented. Concerned departments also review their hazard registry to document new hazards identified or update the mitigating actions for existing hazards. This will also be reported in the Airline Safety Review Committee and Executive Safety Review Board.

Preparing safety reports

CEB releases a monthly OSH bulletin to keep the employees regularly informed on OSH matters. The OSH Core Committee, composed of representatives from the Pteople, Admin and Facilities, Safety and Security, Cabin Crew Union, and Operations and Support Groups, prepares the OSH bulletin. The Safety Digest, on the other hand, is prepared by the Safety, Quality, and Security Department.

Employee health and wellness programs

CEB also provides safety equipment and health, safety, and wellness programs for our employees. As part of our Occupational Health and Safety policy, personal protective equipment and safety training programs are provided for our employees. We provide our personnel 24/7 access to OSH-certified doctors and nurses through our clinic and a teleconsult hotline for off-site or work-from-home employees. In addition, employees have access to health and wellness engagement activities such as a health and wellness fair, Tuesdays or Thursdays Zumba and online moves classes, telemental health counseling, stress debriefing, among others. For 2020, we offered virtual fitness classes through the Juan CEB Community via MS Teams.

CEB also provides an audiometry test for our pilots and a fatigue risk management system for our pilots and cabin crew to ensure that they can achieve optimum work performance.



Caring for Juan Planet

103-1

As a mover of people and a key player in tourism and economic growth, we know our role in helping improve the livability of our cities and promoting our natural wonders. Therefore, we consider environmental stewardship as one of our priorities.

Aviation accounts for approximately 2% of global greenhouse gas emissions caused by human activities. In the process of fulfilling our goal to make every Filipino fly, we remain committed to doing so while minimizing our environmental impact. CEB invests in technology and implements various initiatives to reduce our impact on the environment while urging other stakeholders to do the same.

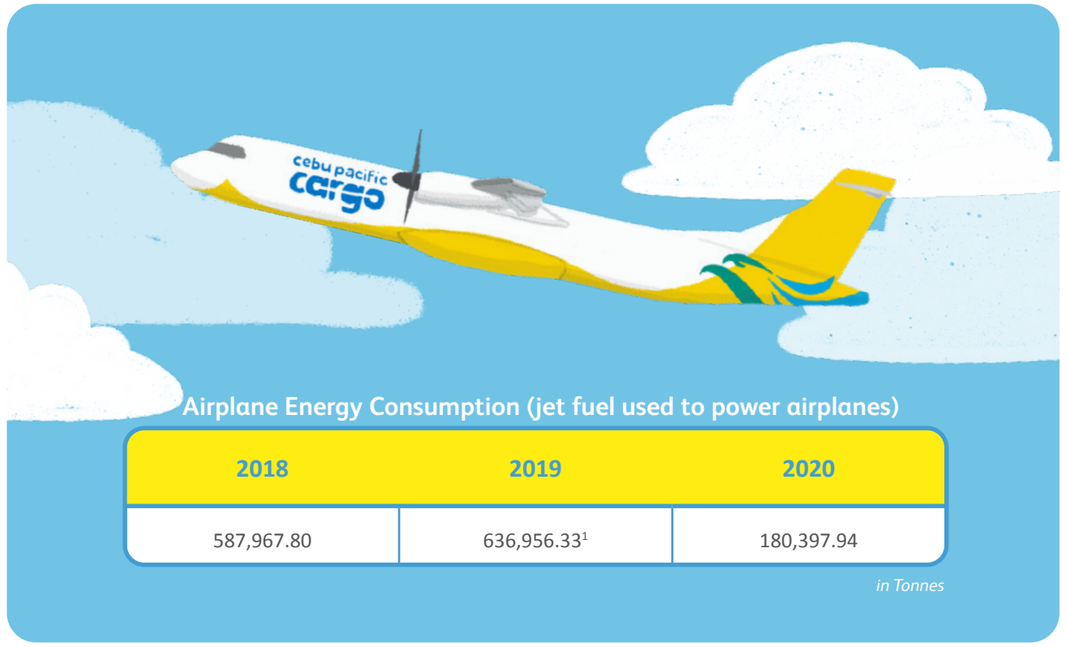
Better Skies for EveryJuan : CEB Action for the Climate

102-48 |103-2 | 103-3

The aviation industry recognizes that our operations inevitably contribute to climate change, and we are proactively taking steps to lessen this impact. In 2009, the following global goals were set to address the industry's climate impact:

- Annual average fuel efficiency improvement of 1.5%
- Stabilize net CO_2 emissions for international aviation at 2019 levels with carbon-neutral growth by 2025
- Reduce CO_2 emissions to half of what they were in 2005 by 2050

To respond to this challenge, CEB invested in appropriate technologies and is practicing fuel-saving and emission-reduction strategies. Fuel efficiency remains to be a priority for Cebu Pacific and it continues to track its fuel consumption while applying operational efficiency measures to maximize fuel use.



Airplane Energy Consumption (jet fuel used to power airplanes)

2018	2019	2020
587,967.80	636,956.33[1]	180,397.94

in Tonnes

Cebu Pacific flights were heavily affected by the travel restrictions brought about by the border closures and local lockdowns due to COVID-19. The decrease in flights led to a 72% decrease in fuel consumption. Fuel burn efficiency on a per passenger basis decreased due to the low number of passengers per flight in 2020. Fuel efficiency dropped to 25.10 passenger kilometers per liter of fuel (pax-km/L) in 2020, a 13% decrease from 28.96 pax-km/L in 2019[2].

[1] Restatement of 2019 Sustainability Report disclosure fuel consumption of 635,385.44 tonnes to 636,956.33 tonnes. Please consider declared 2020 values in succeeding trending. 2019 will be the baseline year for Cebu Pacific monitoring of GHG emissions.

[2] Restatement of 2019 Sustainability Report disclosure on fuel efficiency of 30.79 pax-km/L to 28.96 pax-km/L . Please consider declared 2020 values in succeeding trending. 2019 will be the baseline year for Cebu Pacific monitoring of GHG emissions.

The CEB Fleet: Efficient and reliable flights



103-2

At the heart of our sustainability strategy is our modern and efficient fleet. CEB's 74-strong fleet comprises 53 Airbus and 21 ATR, one of the most modern aircraft fleets in the world with an average fleet age of 5.6 years old. Between 2021 and 2027, CEB will take delivery of 40 more A320s, 16 A330 NEO, and three ATR-600.

The New Engine Option (NEO) variant from Airbus is among the most fuel-efficient in its category. By 2027, Cebu Pacific will have retired its current fleet of Airbus jets, replaced with a fleet of A321neo, A320neo, and A330neo aircraft. The new generation aircraft are estimated to be around 15% - 20% more fuel-efficient, as compared to their classic counterparts. The new planes are bigger and fitted with more seats, allowing each flight to carry more people yet consume less fuel and reduce carbon emissions.

Flying fuel-efficient aircraft is integrated into our long-term strategy. This will enable CEB to carry more passengers and cargo while consuming less fuel and minimizing our carbon emissions.

A330CEO

436
Pax count

Cargo Belly

44,536kg
Max Weight

149 m^3
Max volume

A330NEO

to be delivered beginning October 2021

459
Pax count

Cargo Belly

44,836kg
Max Weight

162.8 m^3
Max volume



Fuel Efficiency Monitoring
Our efficient fleet is further supported by technology that helps us optimize flight operations. We use Openairlines SkyBreathe® Fuel Efficiency Management System, an eco-flying solution that continuously monitors our fuel consumption and identifies fuel-saving opportunities. SkyBreathe® analyzes data from each flight, enabling CEB to craft fuel-saving plan that result in lower fuel consumption. Our pilots are equipped with Openairlines' MyFuelCoach™ app that enables them to monitor their performance and pinpoint areas of improvement.

Best Practice Application
We train our staff based on globally-accepted best practices to complement the optimization of fuel burn without sacrificing the quality and safety of flights. Opportunities for increasing fuel efficiency lie within different areas of the business – from Flight Operations, Ground Operations, Engineering and Fleet Maintenance, Flight Dispatch, among others.

Measures include, but not limited to, better route utilization, rationalization of auxiliary power units when on the ground, reduction of carried weight in the aircraft through innovative lightweight seats and loading devices, reduction of loaded potable water, optimized loading of excess fuel, as well as replacing heavy pilots' manuals with tablets.



103-2



115kg Application of fuel efficiency practices in Flight Operations reduced an average of 115kg of CO2 emissions per flight.

4,806t That's approximately 4,806 tonnes of CO2 emissions avoided by over 40,000 flights in 2020.

Flight Operations

Flight operations have a big impact on fuel efficiency. Our pilots are trained on best practices in fuel efficiency, which are already considered standard operating procedures in CEB. These best practices include single-engine taxi in and out, idle reverse thrust, and optimization of extra fuel carried. Pilots and Fleet Managers can monitor best practice application and corresponding fuel savings and carbon emissions reduction through the MyFuelCoach™ app.

2019	2020
86	115

Average CO2 Emissions (tCO2e) avoided per flight from fuel efficiency practices in flight operations



Michael Ivan Shau
Chief Operations Officer

"Along with Safety, Fuel Efficiency is also everybody's business at CEB. Increasing fuel efficiency and reducing carbon emissions do not conflict with our overall growth strategy. It offers operational benefits and is good for the planet. Aside from our investments in a modern fleet and digitization initiatives, we also make it a point to involve all concerned departments in this undertaking, and influence behavior in order to promote a more fuel-conscious culture

Flight Emissions

102-48 | 305-1

2019	2020
2,001,464.15	570,057.27

Scope 1 emissions (Flights Only) *in tonnes CO2e*

2019	2020
85.71 gCO2/ pk	98.83 gCO2/ pk

GHG Emissions Intensity

gCO2/pk - average annual grams of CO2 emissions for each kilometer travelled by a passenger

Direct (Scope 1) GHG emissions[3]

The COVID-19 pandemic had a big impact on flight operations, resulting in a big drop in fuel consumption. CEB experienced a reduction in emissions due to factors such as travel restrictions, passenger demand, and local government unit or international restrictions affecting the frequency of our flights. Our greenhouse gas (GHG) emissions from our flights decreased by 71.7%, resulting in 570,057.27 tonnes CO2e in 2020 from 2,001,464.15 tonnes CO2e in 2019.

Travel restrictions and low travel demand affected the GHG emissions intensity per passenger kilometer since flights are not filled to full capacity. Average annual grams of carbon for each kilometer travelled by a passenger (gCO_2/pk) increased by 15% to 98.83 gCO_2/PK at year-end from 85.71 gCO_2/PK in 2019. This is expected to improve once more people travel.

Carbon Offsetting

Emission reduction for the airline industry continues to be a global challenge. Market-based reduction strategies, such as carbon offsetting, and the use of biofuels for aircraft, are not yet developed in the Philippines. Cebu Pacific undertakes voluntary reduction strategies and continues to explore opportunities to further reduce emissions.

Beginning 2013, CEB has partnered with non-profit organizations such as the Haribon Foundation and ABS-CBN Foundation to partially offset emissions from our operations. Cebu Pacific complies with the Bureau of Investments requirement of planting 100 trees for every new aircraft registered with the Board of Investments. We have so far planted 5,000 trees in the past 6 years, which are estimated to sequester over 1,250 tonnes of carbon dioxide annually from the atmosphere throughout its lifetime (computed at a sequestration rate of 0.25 tonnes CO_2 per tree) Tree planting was suspended in 2020 due to the COVID-19 pandemic and is expected to resume in 2021.

CORSIA-ready

To manage emissions from international aviation, the International Civil Aviation Organization (ICAO) has launched CORSIA, or the Carbon Offsetting and Reduction Scheme for International Aviation. The program aims to cap carbon emissions from international aviation at 2019 levels. We are set to participate in this program and have begun voluntarily disclosing our carbon emissions to CAAP, who then coordinates with CORSIA. Our international emissions are externally verified by Verifavia, the world's leading provider of emissions verification services for aviation.



[3] Restatement of 2018 - 2019 Sustainability Report disclosures on Flight Emissions due to alignment to CORSIA methodology. Please consider declared 2020 values in succeeding trending. 2019 will be the baseline year for Cebu Pacific monitoring of GHG emissions.

2020 Environmental Performance - Facilities

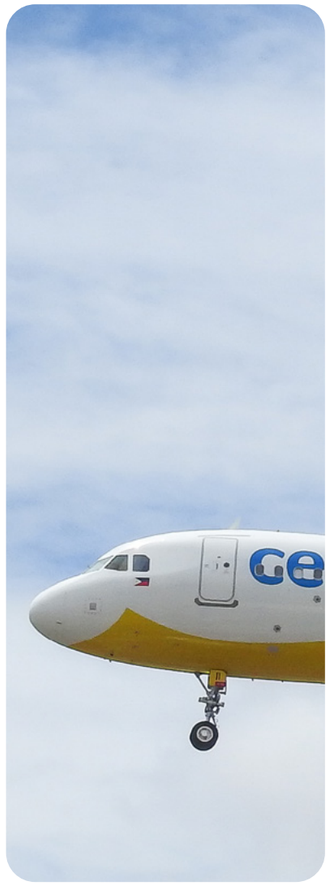
305-2

Offices	2019	2020
Head Office	3,250.00	2,161.41
Fuel Depot	No data	47.53
Air Juan	No data	371.03

Scope 2 emissions (purchased electricity) *in tonnes CO2e*

Energy indirect (Scope 2) GHG emissions
Currently, tracked emissions from our purchased electricity for the head office decreased by 33.5%, resulting in 2,161.41 tonnes CO2e in 2020 from 3,250.00 tonnes CO2e in 2019. This decrease can be attributed to fewer people working on-site due to the flexible work arrangements. For 2020, CEB also expanded its monitoring of consumption to include the CEB Head Office, Fuel Depot, and Air Juan Buildings. CEB will continue streamlining data collection from its outstations to provide a more accurate representation of its consumption across its offices.

Emissions reduction is strongly tied to our initiatives on fuel efficiency and energy efficiency and conservation. As we work towards enabling everyJuan to fly again, we will continue monitoring and assessing our environmental impact to help us optimize our operations and achieve our environmental goals.



Improving Waste Management and Resource Efficiency

103-2 | 103-3 | 306-2

Waste generated and disposed	2019	2020
Total non-hazardous solid waste generated	120,000.00	170,384.50
Total hazardous waste generated	21,441.00	49,871.70
Total hazardous waste transported and treated	21,441.00	49,871.70

in kg

Our hazardous waste is hauled by DENR-accredited transporters to registered treatment, storage, and disposal (TSD) facilities. We also completed the construction of a Materials Recovery Facility (MRF) for the Head Office in October 2020 as part of our goal in reducing landfill waste. An employee awareness campaign called “Trash Talks” was launched in December 2020, followed by the actual monitoring of segregated waste in January 2021. We have started putting up systems and procedures to effectively measure and track wastes from all CEB areas of operation and outstations.

The Catering and Sales Department has replaced all single-use plastic spoons, forks, stirrers, and cups with biodegradable alternatives on all domestic and international flights. In early 2020, we employed inflight waste segregation procedures, separating recyclables such as PET bottles from the non-recyclables such as food waste and single-use plastics before on-ground disposal. Waste segregation inflight was temporarily suspended starting March 2020 to reduce movement in the Cabin due to COVID measures.

Improving Waste Management and Resource Efficiency

103-2 | 103-3 | 302-1 | 302-4

7,799,357.89 GJ
Total energy consumption



Energy consumption within the organization
CEB aims to reduce electricity use in the Head Office by 5% every year. The Admin and Facilities Department oversees finding opportunities for energy savings. In 2020, all T5 and T8 lighting fixtures in the head office were converted to LED lights. We also practice energy conservation measures where all staff are reminded to turn off lights and air conditioning units (where applicable) when not in use.[103-2]

For 2020, electricity consumption in the head office was down by 71% due to the work-from-home arrangement and reduced manpower. Electricity used in CEB’s outstations and other business areas is managed by third-party contractors who are responsible for monitoring our electricity resources. We are in the process of putting up systems and procedures to effectively measure electricity consumption across the organization.

Electricity Use	Head Office	AirJuan	Fuel Depot
Purchased electricity from the grid	3,034,833.00	43,413.33	5,560.83

in KWh

Fuel usage	Unit	Quantity
Station equipment- Head Office	Diesel (liters)	891.00
Company-owned vehicles	Diesel (liters)	3,482.16
	Gasoline (liters)	1,554.54

Water Usage

103-2 | 303-1 | 303-3

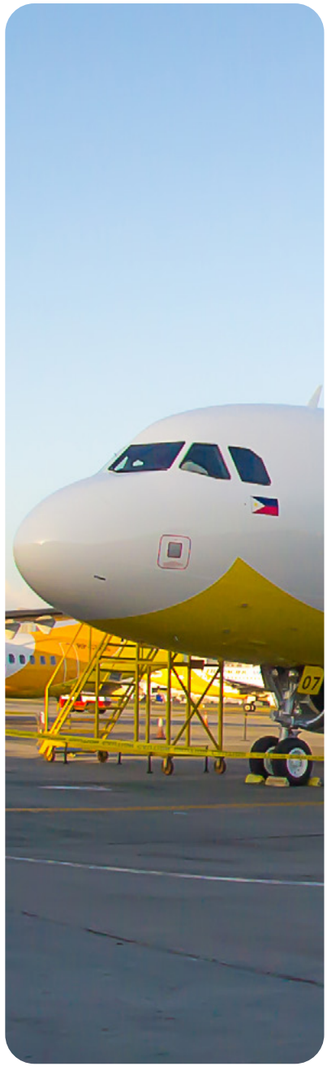
Water withdrawal by source	Quantity
Water withdrawal - Head Office	6,176
Water withdrawal - Air Juan Building	9,818
Water withdrawal - Manila Fuel Depot	512
Total Water Withdrawal	**16,506**

Water recycled and reused	Quantity
Water recycled and reused (Head Office) (estimated use based on capacity)	7200

in cubic meters

Our head office is equipped with a rainwater recovery tank and a water treatment facility which helps us optimize our water consumption. The recycled water and water from the rainwater tank supplies approximately 600 m3 of water per month to the head office. Usage of recovered and recycled water for non-potable purposes (flushing of toilets, general maintenance purposes) results in a low volume of water withdrawal from the third-party water concessionaire.

At present, we do not have water meters installed in our rainwater recovery tank and recycled water tank that would enable us to accurately measure how much recycled water we are using for our head office. We will revisit this investment once the Company is in a better financial position.







Creating Juan Community

103-1

As one of the leading low-cost airlines in the Philippines, we do our best to influence our suppliers and other stakeholders to lift each other up toward a better quality of life.

Through our Corporate Social Responsibility team, we partner with different organizations to support their development goals while also encouraging our employees and customers to take part in nation-building by boosting domestic tourism and supporting local livelihoods and meaningful causes.

Engaging our Suppliers

102-9 | 204-1

We consider suppliers as CEB's partners. CEB's success is influenced by the quality of products and services provided by our suppliers. We engage them through our accreditation program, regular check-ins, and a supplier recognition program

Proportion of spending on local suppliers
Percentage of procurement budget used for significant locations of operations spent on local suppliers for non-aircraft purposes

52%

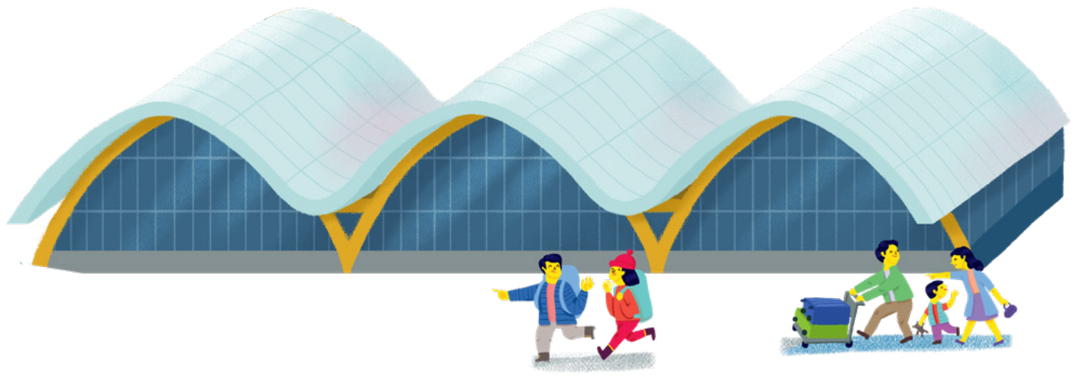
Cebu Pacific deals with both local and foreign suppliers for non-aircraft purchases. Top non-aircraft purchases include: ground service parts and services, cargo, catering, IT software and hardware, and safety and security. Most aircraft-related items and services are not available locally. Procurement involving foreign suppliers follows a more specialized process. These include the purchase of aircraft, aircraft parts, fuel, and support services in international stations where Cebu Pacific operates.

Purchasing from local suppliers allows Cebu Pacific to contribute to local economic growth and job creation. This also results in faster delivery lead time, effective logistics and warehousing, reasonable pricing conditions, and advantageous after-sales service.

Supplier Appreciation

Good relationships with suppliers increase their ownership and accountability to deliver quality products and services at par with CEB standards. In January 2020, our Catering and Sales team hosted a Suppliers Appreciation Merienda to celebrate our partnerships with our local suppliers and their roles in making Cebu Pacific an airline of choice. The event also recognized suppliers for Best On-Time Performance, Best Quality, and Best Account Management in the Buy-On-Board, Pre-Ordered Meals, and Crew Meals categories.





102-9 |103-1 | 103-2 | 103-3 | 204-1

Juan Love: One Love for the Philippines

Tourism is a significant enabler of the Philippine economy. With travel restrictions in place to control the spread of the virus, the tourism industry and the communities that rely on it are most affected by the pandemic. Months into the lockdown, the Philippine government started banking on domestic tourism to jumpstart the industry. Cebu Pacific joins this call to encourage everyJuan to come together and support economic recovery through its "Juan Love - One Love for the Philippines" campaign.

In partnership with the Department of Tourism, the Juan Love campaign not only showcases the beauty and wonders of the Philippines, but also highlights the stories of the people behind the tourism industry and the local businesses in every location. Every tourist that flies to any destination helps sustain the livelihoods of its locals. More travelers will mean jobs for tour guides and more clients for boat rentals, hotels, and other attractions.

Aside from the stories and visuals shared through social media, CEB also consistently offers Juan Love seat sales to inspire and enable everyJuan to travel again. To assure our fliers, we strengthened our online booking portal; added self-service features for easier, contactless flights; provided on-site COVID-19 tests in our airports; installed HEPA filters, and frequently disinfected our aircraft. CEB's affordable flights are certainly critical to make moments happen for our passengers and local destinations. The success of the Juan Love campaign is based on the number of successful flights booked within the campaign period."

"We continuously work with our partners in the government to help ensure the nation bounces back from this crisis. We believe as more destinations open for tourist travel, we can support the small businesses and communities. With the launch of our Juan Love campaign, we hope everyJuan joins us in showing one love for the Philippines



Candice Iyog
Vice President,
Marketing and Customer Experience

102-12 | 103-1 | 103-2 | 103-3 | 203-2 | 413-1

Juan Effect

Every year, Cebu Pacific enables thousands of tourists to enjoy what each Philippine destination has to offer. Although it offers a lot of benefits, this mobility and connectivity also come at a price for the environment. Tourism, when left unchecked, also means more consumption, pollution, and waste.

This year, Bohol joins Boracay and Siargao as a Juan Effect destination. CEB installed multilingual signages made of recycled wood, carrying reminders of responsible behaviors to observe while visiting Bohol's popular tourist attractions like the Chocolate Hills, the Tarsier Sanctuary, and the Loboc River Cruise. We also refurbished two tour boats carrying the same Juan Effect messaging. Juan Effect Ambassadors from all over the world will help communicate these messages across online platforms.



CEB launched the Juan Effect in 2018 to encourage our customers to make Juan small pledge for the environment and make Juan big effect on our islands. It engages the local community, the government, and tourism stakeholders in educating travelers about their responsibilities as tourists. It promotes the idea that one small act done by a lot of people—be it bringing a reusable water bottle, using an eco-bag, or throwing trash properly—can reduce negative impact to the environment. Since its launch in 2018, the Juan Effect movement has gathered 21,853 green pledges on its website.

To ensure that we do our part within the company, we also encourage our employees to get involved in reducing negative impact to the environment in their day to day lives. Before the pandemic, CEB organized annual tree-planting activities for employees. In 2020, our Juan CEB Community Channel shared green living tips, launched Eco-Talks, and encouraged dialogues on living a sustainable lifestyle. CEB also participates in the annual commemoration of the WWF Earth Hour.



Platforms for Giving

413-1

Apart from boosting local tourism and providing economic opportunities to communities in our destinations, CEB also created programs where we can give back to them, especially during times of crisis. We faced several calamities in 2020, and along with the ongoing pandemic, CEB utilizes its programs to provide services, raise funds, and deliver goods to communities in need. Together with our employees and partners, we give back to our countrymen through these programs:

Change for Good

Cebu Pacific is the first and only partner of UNICEF in the Philippines for its Change for Good program. Change for Good is a global partnership between UNICEF and the international airline industry that collects spare currency from passengers for the benefit of vulnerable children. For 2020, CEB was able to turn over PHP4,132,100 in passenger donations and left behind currency to UNICEF.

Points for Good

GetGo is our rewards program that allows customers to earn points in exchange for free flights. In 2020 we launched our Points for Good campaign, where GetGo members can choose to donate their points to our non-profit partners The Philippine Red Cross, World Vision, and UNICEF. The total points collected as of December 2020 were matched by CEB and converted to redeemable flights, which frontliners from these organizations can use to reach communities in need. The campaign was able to generate over 1.2 million in donated points, and when matched by CEB, was able to share PHP2.4 million worth of flights to the frontliners of our partner organizations.

Juan to Juan: Employee Volunteerism

The value of malasakit is well ingrained in CEB's culture. We offer our employees opportunities to share their time and resources for good causes. We also support the initiatives led by employees themselves. This year, CEB volunteers shared their time with the Department of Social Welfare and Development (DSWD) to repack items for relief distribution through our Fun for Little Juans activity with Gawad Kalinga, and food distribution to LSIs amid COVID-19.

It may have been a challenging year for aviation, but our employees were still willing to step up and share their blessings through World Vision. PHP35,580 in employee donations provided hygiene kits containing mosquito nets, mats, and blankets for 14 families affected by Typhoon Ulysses. Our Christmas employee giving campaign raised PHP185,900 used to purchase Noche Buena gift baskets for 372 families.



102-12 | 103-2



BayaniJuan: COVID-19 Response

When Metro Manila and the rest of the country were put in enhanced community quarantine in March 2020, a lot of Filipinos were left stranded and unable to return to their homes. In partnership with the Philippine government, CEB mounted a total of 474 sweeper flights and was able to bring 44,583 passengers home.

We also mobilized over PHP1.3 million worth of food supplies, through our Catering and Sales team, for distribution to locally stranded individuals (LSIs). CEB volunteers were joined by the Ananda Marga Universal Relief Team for the food and health essentials distribution conducted on some weekends from June to September 2020. Additional food donations were gathered from the Gokongwei Brothers Foundation and Data Analytics Ventures, Inc. (DAVI).

CEB partnered with several organizations and offered the airline's cargo service to ensure that over 107 tonnes of essential medical supplies, including Personal Protective Equipment (PPEs), reach remote areas. Beyond COVID support, our cargo operations regularly transport urgent medical shipments such as medicines, including organs and blood as assistance to the Department of Health and the Philippine Red Cross.

cebu pacific unicef
CHANGE FOR GOOD

USD 1,018,107

Total donations facilitated by Cebu Pacific for the UNICEF Change for Good Program since its launch in 2016.

Through the Campaign, UNICEF supported two municipalities (Bobon and Mapanas) in Northern Samar to implement programs aimed to promote stunting and micronutrient deficiencies during the First 1,000 days of a child's development.

Results

140	health care providers trained on nutrition, water, sanitation, and hygiene (WASH) and Early Childhood Care and Development (ECCD) interventions.
90%	increase in the number of people with access to safe water in Bobon Municipality
7	types of information, education, and communication materials developed
4	national plans and policies on health and nutrition supported

102-12 | 203-2

GRI Content Index 102-55

GRI Standard	Disclosure	Page number(s) and/or URL(s)	OMISSION Part Omitted	Reason	Explanation
GRI 101: Foundation					
General Disclosures					
Organizational Profile					
102-1	Name of the organization	2			
102-2	Activities, brands, products, and services	17-18			
102-3	Location of headquarters	2			
102-4	Location of operations	2			
102-5	Ownership and legal form	See SEC Form 17-A 2020 p. 6-8			
102-6	Markets served	See SEC Form 17-A 2020 p. 7			
102-7	Scale of the organization	17			
102-8	Information on employees and other workers	52			
102-9	Supply chain	78			
102-10	Significant changes to the organization and its supply chain	In October 2020, CEB acquired majority ownership for Aviation Partnership Philippines Corporation (APPC or A-Plus) to have more control over its maintenance operations.			
102-11	Precautionary Principle or approach	33			
102-12	External initiatives	79-81			
102-13	Membership of associations	21			
Strategy					
102-14	Statement from senior decision-maker	4,6			
102-15	Key impacts, risks, and opportunities	34-37			
Ethics and integrity					
102-16	Values, principles, standards, and norms of behavior	17			
102-17	Mechanisms for advice and concerns about ethics	CEB has a Corporate Governance Manual and Code of Ethics, which guides CEB's people with respect to ethical concerns. In addition, CEB has a Whistleblowing Policy which provides procedures for reporting any actual or suspected violations of Company policy. See also: https://cebupacificaircorporate.com/Pages/code-of-business-conduct-and-ethics.aspx			
Governance					
102-18	Governance structure	20			
102-21	Consulting stakeholders on economic, environmental, and social topics	34			
102-22	Composition of the highest governance body and its committees	See SEC Form 17-A 2020 p. 53-58			
102-23	Chair of the highest governance body	20			
102-24	Nominating and selecting the highest governance body	See Revised Corporate Governance Manual p. 8-1			
102-25	Conflicts of interest	See Revised Corporate Governance Manual p. 12-13, 37-38			
102-26	Role of highest governance body in setting purpose, values, and strategy	See Revised Corporate Governance Manual p. 10-11			
102-28	Evaluating the highest governance body's performance	See Revised Corporate Governance Manual p. 18			
102-29	Identifying and managing economic, environmental, and social impacts	See Conflict of Interest policy			
102-30	Effectiveness of risk management processes	34-37			
102-31	Review of economic, environmental, and social topics	27-29			
102-32	Highest governance body's role in sustainability reporting	34			
102-33	Communicating critical concerns	See Revised Corporate Governance Manual p. 33-36			
102-35	Remuneration policies	See Succession Planning and Remuneration Policy			
102-36	Process for determining remuneration	See Succession Planning and Remuneration Policy			
102-37	Stakeholders involvement in remuneration	See Succession Planning and Remuneration Policy			
Stakeholder engagement					
102-40	List of stakeholder groups	23-26			
102-41	Collective bargaining agreements	No CEB employees are covered by collective bargaining agreements in 2020.			
102-42	Identifying and selecting stakeholders	23-26			
102-43	Approach to stakeholder engagement	23-26			
102-44	Key topics and concerns raised	24-26			

GRI Standard	Disclosure	Page number(s) and/or URL(s)	OMISSION Part Omitted	Reason	Explanation
Reporting practice					
102-45	Entities included in the consolidated financial statements	Cebu Air, Inc., CEBGO, Inc. and twelve special purpose entities (SPE) that it controls, namely, Panatag Two Aircraft Leasing Limited (PTALL), Summit C Aircraft Leasing Limited (SCALL), Tikgi One Aviation Designated Activity Company (TOADAC), Summit D Aircraft Leasing Limited (SDALL), CAI Limited (CL), Sampaguita Leasing Co Ltd (SLCL), Dia Boracay Ltd. (DBL), Mactan Leasing Co., Ltd (MLCL), Cebuano Leasing Co., Ltd. (CLCL), Die El Nido Ltd. (DENL), Tarsier Leasing Co., Ltd. (TLCL), and RAMEN Aircraft Leasing Limited (RALL). Other than CAI Limited, these are SPEs in which the Parent Company does not have equity interest, but have entered into finance lease arrangements with, for funding of various aircraft deliveries.			
102-46	Defining report content and topic Boundaries	2			
102-47	List of material topics	27-29			
102-48	Restatements of information	69, 73			
102-49	Changes in reporting	74			
102-50	Reporting period	2			
102-51	Date of most recent report	2			
102-52	Reporting cycle	2			
102-53	Contact point for questions regarding the report	2			
102-54	Claims of reporting in accordance with the GRI Standards	2			
102-55	GRI content index	82-91			

GRI Standard	Disclosure	Page number(s) and/or URL(s)	OMISSION Part Omitted	Reason	Explanation
Material Topics					
GRI 200 Economic Standard Series					
Economic Performance					
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	See SEC Form 17-A 2020 Sustainability Report p. 204-205		
	103-2	The management approach and its components	See SEC Form 17-A 2020 Sustainability Report p. 204-205		
	103-3	Evaluation of the management approach	See SEC Form 17-A 2020 Sustainability Report p. 204-205		
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	7		
	201-2	Financial implications and other risks and opportunities due to climate change	See SEC Form 17-A 2020 Sustainability Report p. 206-207		
Indirect Economic Impacts					
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	79		
	103-2	The management approach and its components	79		
	103-3	Evaluation of the management approach	79		
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	30-32, 79, 81		
Procurement Practices					
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	78		
	103-2	The management approach and its components	78		
	103-3	Evaluation of the management approach	78		
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	78		
Anti Corruption					
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	See SEC Form 17-A 2020 Sustainability Report p. 209-210		
	103-2	The management approach and its components	See SEC Form 17-A 2020 Sustainability Report p. 209-210		
	103-3	Evaluation of the management approach	See SEC Form 17-A 2020 Sustainability Report p. 209-210		
GRI 205: Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	See SEC Form 17-A 2020 Sustainability Report p. 209-210		
	205-3	Confirmed incidents of corruption and actions taken	See SEC Form 17-A 2020 Sustainability Report p. 209-210		

GRI Standard		Disclosure	Page number(s) and/or URL(s)	Part Omitted	OMISSION Reason	Explanation
GRI 300 Environmental Standard Series						
Energy						
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	68			
	103-2	The management approach and its components	69-71, 75			
	103-3	Evaluation of the management approach	75			
GRI 302: Energy	302-1	Energy consumption within the organization	75			
	302-3	Energy intensity	See SEC Form 17-A 2020 Sustainability Report p. 212			
	302-4	Reduction of energy consumption	See SEC Form 17-A 2020 Sustainability Report p. 212			
Water (2018)						
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Main uses of water in the head office include air conditioning, lavatories, water station (office drinking water and aircraft crew water) and general cleaning purposes. The head office is equipped with a Sewage Treatment Plant.			
	103-2	The management approach and its components	76			
	103-3	Evaluation of the management approach	We monitor our use of water and seek to improve our monitoring and tracking systems so we can find areas of improvement in terms of operations and efficiency.			
GRI 303: Water	303-1	Interactions with water as a shared resource	We recognize that water is a vulnerable resource and seek to manage this efficiently, not only to drive down our costs, but to ensure sufficient supply for the communities where we operate. We are still in the process of determining our interaction with our water resources at our head office. We will disclose this in the next two to three years. We have installed a rainwater catchment tank for the head office which reduces the amount of water we withdraw from the concessionnaire by around 50%. We are in the process of improving our water use monitoring in other areas of our operation.			

GRI Standard		Disclosure	Page number(s) and/or URL(s)	Part Omitted	OMISSION Reason	Explanation
Water (2018)						
GRI 303: Water	303-2	Management of water discharge related impacts	The ability to effectively treat and reuse water also contributes to the efficient use of this resource and will also impact the water supply of our neighboring communities. Managing our water discharge will mitigate any negative impact this might cause and is part of our responsibility to care for the environment. As we continue to improve our approach to managing water discharge, we aim to comply with effluent standards provided effluent standards provided by local authorities and the World Bank Group EHS Standards			
	303-3	Water withdrawal	76			
	303-4	Water discharge	See SEC Form 17-A 2020 Sustainability Report p. 214			
Emissions						
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	68			
	103-2	The management approach and its components	69-71			
	103-3	Evaluation of the management approach	69			
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	73			
	305-2	Energy indirect (Scope 2) GHG emissions	74			
	305-4	GHG emissions intensity	See SEC Form 17-A 2020 Sustainability Report p. 217			
	305-5	Reduction of GHG emissions	See SEC Form 17-A 2020 Sustainability Report p. 217			

GRI Standard		Disclosure	Page number(s) and/or URL(s)	OMISSION Part Omitted	OMISSION Reason	OMISSION Explanation
Effluents and Waste						
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Our operations generate both solid and hazardous waste. Improper management of these can result in negative impacts on health and the environment, as well as increased costs. We are still establishing our approach to track and monitor waste generation across the organization. We aim to establish waste reduction and recycling targets within the next 1-2 years.			
	103-2	The management approach and its components	74-75			
	103-3	Evaluation of the management approach	74-75			
	306-2	Waste by type and disposal method	74			
	306-4	Transport of hazardous waste	49872 kg of hazardous waste (used oil, bulbs, and others) generated and transported.			

GRI Standard		Disclosure	Page number(s) and/or URL(s)	OMISSION Part Omitted	OMISSION Reason	OMISSION Explanation
GRI 400 Social Standards Series						
Employment						
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	51, 55			
	103-2	The management approach and its components	51, 55-56			
	103-3	Evaluation of the management approach	65			
GRI 401: Employment	401-1	New employee hires and employee turnover	53			
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	54			
	401-3	Parental leave	110 female employees (7.7%) and 63 (5.1%) male employees availed of their parental leave. 18 female (1.3%) and 1 male employees (0.1%) availed of solo parent leave.			
Occupational Health and Safety						
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	38, 66			
	103-2	The management approach and its components	38-41, 67			
	103-3	Evaluation of the management approach	67			
GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	67			
	403-2	Hazard identification, risk assessment, and incident investigation	67			
	403-3	Occupational health services	67			
	403-4	Worker participation, consultation, and communication on occupational health and safety	67			
	403-5	Worker training on occupational health and safety	CEB currently provides employees with Basic Occupational Health and Safety training. Other OSH-related training for employees is currently under development.			
	403-6	Promotion of worker health	67			

GRI Standard	Disclosure		Page number(s) and/or URL(s)	Part Omitted	OMISSION Reason	Explanation
Training and Education						
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	62			
	103-2	The management approach and its components	62			
	103-3	Evaluation of the management approach	60, 65			
GRI 404: Training and Education	404-1	Average hours of training per year per employee	59			
	404-2	Programs for upgrading employee skills and transition assistance programs	59			
	404-3	Percentage of employees receiving regular performance and career development reviews	60			
Diversity and Equal Opportunity						
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	See SEC Form 17-A 2020 Sustainability Report p. 232			
	103-2	The management approach and its components	See SEC Form 17-A 2020 Sustainability Report p. 232			
	103-3	Evaluation of the management approach	CEB has a Diversity and Inclusion policy which communicates how the organization values the dignity of its employees, respects workers' rights, and is committed to providing a safe environment for all its employees free from discrimination on any ground and from harassment at work. We advance the right to decent work by promoting equal opportunities for employment, equal treatment, and strengthening social dialogue for employees. We periodically measure employees' diversity profile. We encourage the integration of women in leadership positions and internal policy making structures. As of 2020, 40% of CEB leaders are women and 55% of our employee population are women.			

GRI Standard	Disclosure		Page number(s) and/or URL(s)	Part Omitted	OMISSION Reason	Explanation
Local Communities						
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	30, 77			
	103-2	The management approach and its components	79-80			
	103-3	Evaluation of the management approach	30-32			
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	79-80			
	413-2	Operations with significant actual and potential negative impacts on local communities	See SEC Form 17-A 2020 Sustainability Report p. 237-238			
Customer Privacy						
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	See SEC Form 17-A 2020 Sustainability Report p. 241-242			
	103-2	The management approach and its components	See SEC Form 17-A 2020 Sustainability Report p. 241-242			
	103-3	Evaluation of the management approach	See SEC Form 17-A 2020 Sustainability Report p. 241-242			
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	One complaint was lodged in 2020; it was determined that there was no data privacy impact arising from the complaint.			
Socioeconomic Compliance						
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	35			
	103-2	The management approach and its components	35			
	103-3	Evaluation of the management approach	35			
GRI 419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	No incidents of non-compliance in 2020.			

Acknowledgements

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