



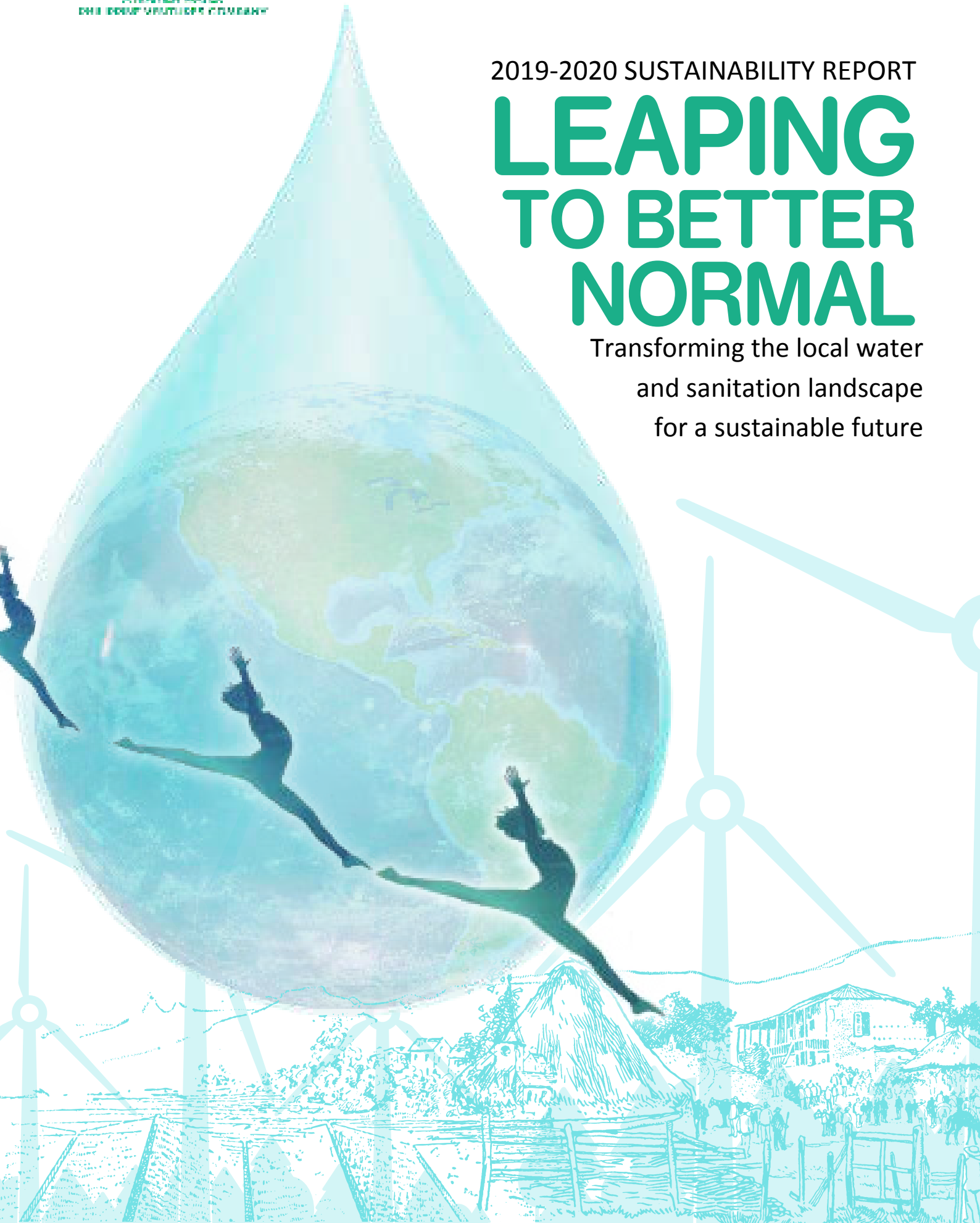
**LAGUNA WATER**

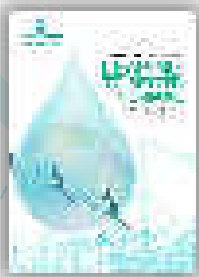
A MANILA WATER  
GROUP VENTURES COMPANY

2019-2020 SUSTAINABILITY REPORT

# LEAPING TO BETTER NORMAL

Transforming the local water  
and sanitation landscape  
for a sustainable future





## **ABOUT THE COVER**

The artwork visualizes Laguna Water's dependency on the environment and its role as a steward of natural resources. This symbolizes the Company's effort to protect the environment through viable business practices and its intention to be a catalyst to bridge communities to a sustainable and better future for all.

## LEAPING TO BETTER NORMAL

Unprecedented events in the past two years resulted in lasting global impacts. The Taal Volcano eruption in 2020 displaced hundreds of thousands of families affecting livelihood, permanently for some. While affected sectors were barely reviving, the COVID-19 pandemic hit the Philippines. Over 2.4 million Filipinos were infected, resulting in the loss of thousands of lives. On the other hand, the extended community quarantines impeded economic growth, increased inequalities, and continue to cast doubt on the country's future. All of these are happening while the whole world is in the middle of a climate crisis. The recent drought and typhoons prove that the absence and abundance of water put vulnerable communities at risk. Thus, those bestowed with the responsibility must take the lead in ensuring resiliency, considering that harsher weather conditions are forecasted to be more prevalent in the following years. Laguna Water embraces this towering role.

Together with its employees, the Provincial Government of Laguna, and other partners, Laguna Water spearheaded and brought continuous transformation in the local water and sanitation landscape. These are made possible through the business and technological innovations, advocacies, and community engagement programs that Laguna Water delivers alongside its quality service for more than ten years. Inspired by the unwavering commitment of its employees, Laguna Water will continue achieving its purpose while leading the leap to a better and sustainable normal for all.

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## ABOUT THIS REPORT

Laguna AAWater Corporation (Laguna Water / the Company) releases its fourth Sustainability Report: Leaping to Better Normal, covering its performance from January 2019 to December 2020. This report referenced the Standards of the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) in disclosing the Company's material topics. A digital copy of the report is also available for online viewing.

### Content

This report details aspects of the Company's performance that satisfy the interests of its stakeholder, including economic performance, conservation initiatives, social responsibilities, communities served, technological and process innovations, and employment.

This issue centers on presenting the Company's continuous progress as well as the course of actions in expanding its water and sewage/septage management services to the Province of Laguna. The contents are structured to convey information that will allow the Company's stakeholders to understand its position in terms of its preset objectives.

### Scope and Boundaries

Laguna Water advocates transparency in reporting and assures that it has validated all data before publication. Data owners have reviewed all information found in this report to ensure its accuracy. Financial data, on the other hand, have been verified by external auditors.

All information and declarations in this report are exclusively from the Company. All facts and figures extracted from external sources are properly cited.

### Feedback

For any inquiry or feedback on this report, please contact:

#### **SOL TERESITA N. DIMAYUGA**

Regulatory and External Affairs Head

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Scan to view and/or  
download a copy.



## JOINT MESSAGE

In 2018, we conquered new heights. We were able to expand our service coverage and improve our facilities. At the same time, we were able to push forward with our advocacies leading to better environmental protection, sustainability, and health for the communities we serve. But just like in any business, ours has its fair share of obstacles. Enormous and unprecedented challenges filled the past two years affecting lives on a global scale. Volcanic eruptions, super typhoons, drought, flooding, and a pandemic – all of these happened in 24 months. Instead of being discouraged, we strived hard and continued our pursuit to empower communities, protect the environment, and achieve sustainable development through water and wastewater services.

As we continue to face the challenges head-on, we are pleased to present our fourth Sustainability Report. The theme for this year, Leaping to Better Normal, is a manifestation of our commitment to transform the local water and sanitation landscape and maximize our services to become catalysts in achieving sustainable development for all.

### **Innovating Solutions, Expanding Reach**

Despite the challenges of the past years, we have maintained our position in providing quality service to our customers. These were made possible through our efforts to innovate solutions that will make our services accessible.

In 2019, we completed the South Luzon Expressway (SLEX) Pipe Crossing Project using micro tunneling technology that minimized the disturbance and road interruption in the main thoroughfare to South Luzon. This project further realized our mission to provide exceptional service to our customers, especially in the areas of Santa Rosa, Biñan, and Cabuyao, where more than 100,000 households are connected.

On the other hand, in 2020, during the onset of the Enhanced Community Quarantine (ECQ) in Laguna, our teams ensured that our customers could reach us despite being kept in their homes. We maintained the usual communication platforms to keep them informed about the updates that concern their water and wastewater needs.

Our teams also lead the digitization of processes. These ensure ease of doing business through the development and promotion of online payment channels.

With these kinds of innovations, we were also able to get opportunities to expand our service coverage. In 2019, we were able to forge a partnership with Pagsanjan Water District (PAGWAD). This joint agreement allows the people of Pagsanjan to receive reliable and clean water connections and work towards better sanitation practices as our septage management services will also be available to them. We also energized the nanofiltration treatment facility in Victoria, Laguna which officially marked the start of our water supply services in the municipality.

With the hard work and support of all our employees and partners, the services of the Company are now available to over 144,000 households and 3,300 commercial and industrial customers across Laguna.

### **Enriching Minds, Initiating Environmental Protection**

We also intensified our campaign for proper sanitation. In 2019, we were able to implement in full blast our sanitation program through desludging service. Aside from the intensive work exhausted by our talents, this was also made possible when we conducted the first-ever Tamang Sanitasyon Equals Kalusugan, Kalinisan, at Kaunlaran ng Bayan (TSEK ng Bayan) Summit. The summit was participated by over 150 government leaders and representatives from the 30 cities and municipalities across Laguna. In partnership with the Laguna Lake Development Authority (LLDA) and the Department of Environment and Natural Resources (DENR), key actions were discussed during the summit to rehabilitate and protect Laguna Lake.

In partnership with Manila Water Foundation (MWF), we also celebrated for the first time the World Toilet Day in 2019, which aims to end open defecation through the provision of proper toilets in marginalized communities. This effort also intends to promote health among residents by minimizing the prevalence of diseases caused by improper and insufficient septage management.

Complementing the program is our TSEK ng Bayan session which takes MWF's campaign further by teaching households about the importance of having safely managed toilets.

Alongside these efforts is the Lakbayan program, which aims to increase the awareness of our stakeholders and key decision-makers about the entire water and wastewater management processes employed by the Company.

### **Empowering Communities, Gaining Allies**

We were also able to empower communities by living up to our social responsibility as a company. It has been evident in the past two years when calamities and emergencies hit Laguna and nearby provinces.

Last year, when the COVID-19 pandemic started, we extended water and sanitation support to different offices performing frontline duties.

We also partnered with non-profit organizations and private companies in distributing hygiene supplies and building handwashing facilities to help curb the spread of the virus. We were also among the first organizations to send relief to displaced families through our water tankering services during the Taal Volcano eruption where around 9,500 families were assisted. We also extended the same services to those affected by the water crisis in 2019 and also sent potable bottled water to the survivors of the consecutive typhoons which happened in 2020.

Through these efforts, we were able to extend a lifeline to the severely affected. In return, we gained allies who now work with us towards the betterment of our services, and ultimately our society.

As we continue to face hurdles, we, along with our allies, are committed to turning our vision into a reality. You can count on us as we all leap towards a better normal for all.



**Shoebe Hazel B. Caong**  
General Manager and COO

**Melvin John M. Tan**  
President and CEO

## ABOUT LAGUNA WATER

GRI 102-2, 102-5, 102-6

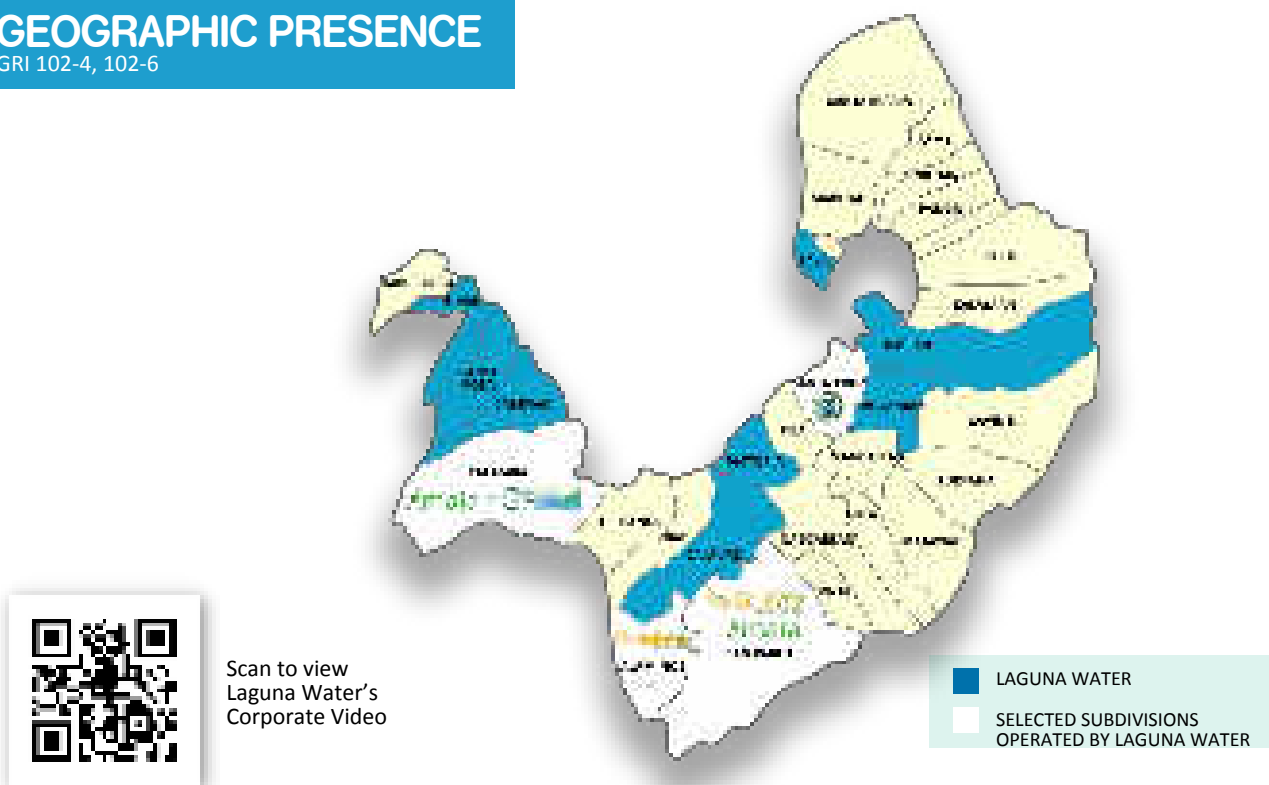
Laguna Water is the trusted and largest water, wastewater, and environmental services provider created through a joint venture between the Provincial Government of Laguna and Manila Water Philippine Ventures (MWPV), a wholly-owned subsidiary of Manila Water Company (MWC).

The Company attributes its continued success to its steadfast commitment to providing quality customer experience, a strong network of industry partners, and wide knowledge and experience in water and wastewater operations.

Currently, it operates in Biñan, Santa Rosa, Cabuyao, and Pagsanjan. It also has presence in Alaminos, Calamba, San Pablo, Santa Cruz, and Pila. As of 2020, expansion in Calauan, Lumban, Victoria, and Pakil is underway.

## GEOGRAPHIC PRESENCE

GRI 102-4, 102-6



### PURPOSE

GRI 102-16

Better lives and resilient economies through critical infrastructure

### VISION

A global leader in providing quality water and environmental services and supportive of sustainable development

### MISSION

Deliver world-class services tailored to the needs of the communities we serve, through sustainable solutions and purpose-driven, empowered, innovative teams



# CORE VALUES

GRI102-16



## CARE

We demonstrate our innate Filipino value of genuine compassion and ownership to fulfill our mission to our employees, customers, company, environment, and our nation.



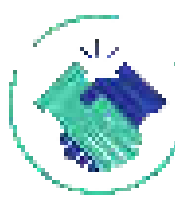
## EXCELLENCE

We create meaningful value and deliver high returns for all our stakeholders by delivering the highest quality products and services, investing in projects that improve quality of life while upholding the welfare of our employees.



## TENACITY

We bravely face challenges head-on with a "can do, must do" attitude and we follow through on our promises with maximum effort and persistence. We quickly embrace change and ensure the competent completion of every job we commit to.



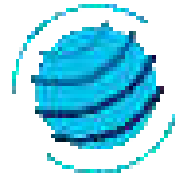
## COLLABORATION

We live and breathe the work that we do, and we seek out colleagues and partners that share the same commitment to utilize our diverse strengths and work together in synergy towards our purpose.



## INTEGRITY

We are ethical, fair, and transparent in our business practices at every level of our organization. We always choose to do what's right and take accountability for our actions.



## PIONEERING

We apply new approaches, explore new methods and ideas, in order to create innovative solutions and deliver lasting impact for the communities in which we operate.

# TEAM NORMS



# BOARD OF DIRECTORS

GRI 102-18 to 102-24

Laguna Water's Board of Directors (BOD) is composed of nine members - six are from Manila Water Philippine Ventures (MWPV) and three from the Provincial Government of Laguna (PGL). The Chairman of the Board is from PGL while the President of the Company is from MWPV. Board meetings are conducted every quarter or when an urgent matter arises that needs approval. Beginning June 25, 2021, the following are the elected directors of Laguna Water.

BOARD OF DIRECTORS
Dulce G. Hilario-Nabanal
Katherine C. Aguiray
Rodel T. Padanayan
Roberto Jose R. Lozano
Melvin John M. Tan
Mr. Cecilio T. Cruzado
Meloy Lynne B. Quiroz
Karoline C. Sangalang
Eleanor G. Misa

The officers of the Company are elected by the BOD.

OFFICERS	
Chairman of the Board	Dulce G. Hilario-Nabanal
Vice-Chairman	Roberto Jose R. Lozano
President and Chief Executive Officer	Melvin John M. Tan
Treasurer	Mr. Lourdes M. Dela Cruz
General Manager and Chief Operating Officer	Shoabe Hazel B. Dizon
Corporate Secretary	Gerardo M. Lobo, II
Assistant Corporate Secretary	Domelyn A. Obispo
Chief Audit Executive	Ronald M. de Leon
Compliance Officer for Privacy	Sol Telesita N. Dimasuga

The Executive Committee is composed of three members of the BOD, two from MWPV and one from PGL. The Committee acts on matters beyond the powers vested to the General Manager (GM) and delegated by the BOD.

EXECUTIVE COMMITTEE	
Chairman	Melvin John M. Tan
Member	Rodolfo T. Padonayon
Member	Ma. Cecilia T. Cruzado

In 2018, the Audit Committee of Laguna Water was formed through a Board Resolution. The committee is composed of three members - two from MWPV and one from PGL. The Chairman shall be one of the BOD.

The Committee's mandate is to monitor the following:

- The integrity of the financial statements and the financial reporting process;
- Effectiveness of the system of internal control;
- Performance and leadership of the internal audit function;
- Independence and the integrity of the audit process as a whole; and Compliance with applicable legal and regulatory requirements.

In 2020, the Audit Committee was expanded to the Audit and Risk Committee to include the identification and monitoring of the top risks of the company in its mandates. The committee members became four with the addition of a representative from the Enterprise Risk Management Team of MWPV.

The committee maintains free and open communication with Laguna Water's external auditors, the internal auditors, and the management of Laguna Water.

AUDIT AND RISK COMMITTEE	
Chairperson	Ma. Cecilia T. Cruzado
Member	Roberto Jose E. Locsin
Member	Rolando M. Coraig
Member	Mark A. Lim

# LEADERSHIP TEAM

GRI 102-18 to 102-24



**Rodel V. Del Rosario**  
Technical Services Head

**Francisco A. Loresco**  
New Business Development Head concurrent  
Expansion Operations Head

**Melissa A. Alcasid**  
Technical Operations Head

**Shoeb Hazel B. Caong**  
General Manager and COO



**Felipe A. Fradejas, Jr.**  
Project Management Head

**Sol Teresita N. Dimayuga**  
Regulatory and External  
Affairs Head

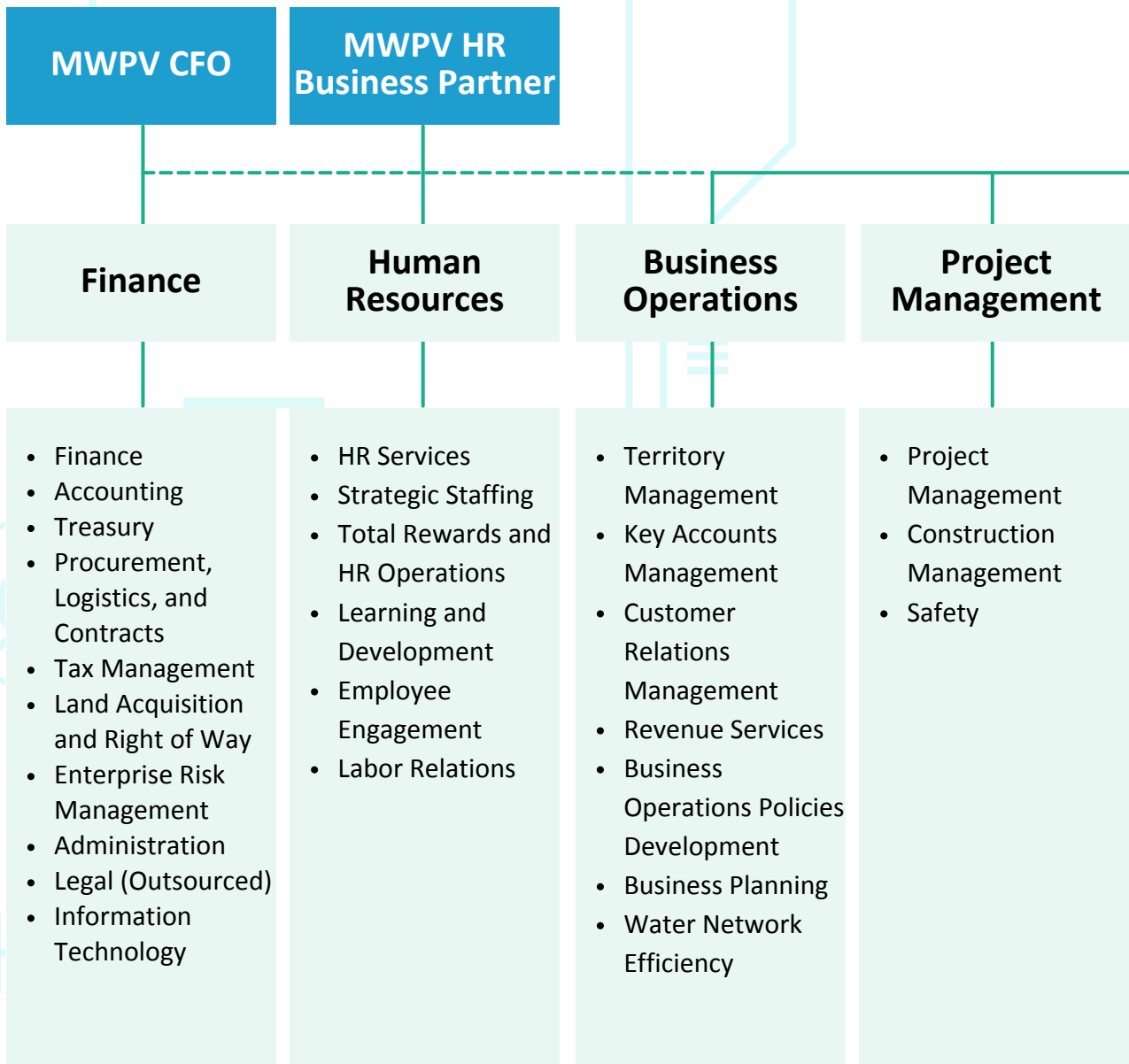
**Ma. Lourdes M. Dalusung**  
Finance Head

**Camille B. Obreso**  
Business Operations Head

**Yves P. Barbasina**  
HR Business Partner

# ORGANIZATIONAL CHART

GRI 102-18



# General Manager

## Technical Services

- Water and Wastewater Systems Masterplanning
- Project Design and Cost Estimate
- Asset Management

## Technical Operations

- Water Facilities
- Water Quality Assurance / Laboratory Services
- Wastewater Facilities
- Reliability Maintenance Solutions
- Integrated Management (IMS)
- Operation Control Center

## Regulatory and External Affairs

- Stakeholder Relations
- Regulatory Planning and Compliance
- Sustainable Development
- Corporate Communications and Branding

## New Business Development

- Bulk Water Arrangements
- B2B Projects
- Septage Management
- Joint Venture
- Asset Purchase

# TRANSFORMING LOCAL WATER AND SANITATION LANDSCAPE: LAGUNA WATER IN A DECADE

## 1 SERVICES

- Most trusted water service provider in Laguna with largest centralized water distribution system
- Conducts regular testing and analysis of water in its laboratories
- Leading in wastewater treatment services with desludging services and septage and sewage treatment plants servicing households and the biggest companies in the country based in Laguna
- Took over the water and wastewater operations of Laguna Technopark, Inc. (LTI) in 2014

## 9 OPERATIONAL EXCELLENCE

Reduced Non-Revenue Water (NRW) from 48% in 2009 to 20% in 2021 through leak repairs and maintenance of water networks

## TECHNOLOGY INNOVATION 8

- Launched the read and bill system so customers can immediately receive their water bills right after meter reading
- Acquired a mobile treatment plant that can be used to clean ground and surface water during emergencies and crisis
- Installed additional filtration technologies such as catalytic filtration and nanofiltration to address varying raw water quality

## 7 COMMUNITY DEVELOPMENT

- Provided 812 households and 26 public schools with access to affordable and potable water through the Ahon Tubig (formerly Tubig Para sa Barangay) and Lingap Eskwela programs in partnership with MWF
- Conducted yearly gift-giving activity for public elementary students through Daloy ng Saya
- Provides special environmental rates to low-income families in Santa Rosa, Biñan, and Cabuyao to promote proper sanitation through Pamilyang TSEK

## ENVIRONMENTAL PROTECTION 6

- Protected the local biodiversity in Matang Tubig Spring, Mabuna Watershed, and other areas in Laguna by planting 3,900 trees as of 2019 through the Pasibol Tree Planting program
- Raised awareness of local communities about the importance of proper wastewater management through desludging via the TSEK ng Bayan advocacy campaign
- Implemented the company's sanitation program which includes septage and sewage management



## CUSTOMER SERVICE 5

- Established an accessible customer service system where customers can easily pay through online payment facilities, raise concerns and requests directly to business zones through the opening of satellite offices, and access customer care 24/7 through call, text, email, and Facebook
- Various online payment channels that customers can choose from for more convenient and safer ways to pay bills

## 4 GROWTH

- Water service connections grew from 20,000 in 2009 to over 144,000 in 2021
- Transferred to a new, modern, and bigger office in Nuvali, Sta. Rosa, Laguna

## 3 EXPANSION

- Granted by PGL to widen its scope of water and wastewater services to the entire province in 2015
- Pagsanjan became part of the territorial scope of the Company through a joint venture agreement with PAGWAD in 2019
- Given the authority to provide water and wastewater services in Victoria and Calauan through a Sangguniang Bayan (SB) resolution signed in 2018
- Lumban and Pakil also became part of Laguna Water's concession area by virtue of an SB resolution passed in 2019
- Reached several subdivisions and establishments in Calamba, Pila, Alaminos, Santa Cruz, and San Pablo

## 2 AWARDS & RECOGNITION

Received several awards and recognition from reputable organizations and LGUs for its programs and initiatives

## 1 EMPLOYEE ENGAGEMENT

- With over 200 strong and passionate employees
- Huwarang Manggagawa and President's Pride Due to Performance awards are given to exemplary talents
- Training and capacity development are made accessible through Philippine Ventures and Asia Pacific (PVAP) Academe via Percipio

# TRANSFORMING LOCAL WATER AND SANITATION LANDSCAPE: TESTIMONIALS



**Benjie Sison**  
Territory Manager  
Laguna Water

*“Noon ang trabaho ko ay magsasaka dito sa Laguna. Nag-umpisa po ako sa plumber and then naging water reader po ako. Nagpursigi rin po ako hanggang sa maabot ko itong pagka-Territory Manager.*

*Simula noong nag-improve si Laguna Water, ganoon din po ako, nag-improve din. Natulungan yung pamilya ko at saka yung mga customer ng buong Laguna mabigyan ng kalidad na tubig at magandang serbisyo.”*

*“Nung dumating kami dito wala pang linya ng tubig. Kami ay nag-mamanomano sa poso. Simula ng dumating si Laguna Water, imbis na mag-igib sa poso, pipihitin na lang ang gripo para sa kanilang paliligo. Kahit 5AM ako magising ay okay lang. Tama ang desisyon ko na magpakabit ng Laguna Water. Para rin sa ikagagaan ng gawaing bahay.”*



**Elvie Borja**  
Resident, Brgy. Malaban  
Biñan City, Laguna



**Norwin Bagos**  
Water Supply Shift Head  
Laguna Water

*“Fresh graduate po ako at ako ay batang-bata noong time na 'yon. Tapos, kapapanganak pa lang sa baby ko. So, kailangan kong kumayod. Ang Laguna Water po ay nagsilbing aking magulang. Kung ano yung pag-aaruga na ibinibigay ko sa aking mga anak, ganoon din ang ginagawa sa akin ng Laguna Water. Ngayon po, wala akong takot. Taas noo at proud na Laguna Water employee.”*



**Reginald M. Andal**  
Executive Director  
Manila Water Foundation

*"Anchored on the Manila Water's Sustainability Framework, Manila Water Foundation and Laguna Water have been working together to create shared value for our stakeholders especially the marginalized communities within and outside their concession area.*

*Our WASH (water access, sanitation, and hygiene) programs complement the operational services and sustainable development initiatives of Laguna Water. It is our commitment to become a constant strategic partner to Laguna Water, as we forge on in bringing #WASHforAllCommunities."*

*"Ang commitment namin is to provide quality healthcare for everyone. So, katulong namin si Laguna Water in providing that commitment. Napakalaking bagay na meron kang malinis at de kalidad na tubig na gagamitin lalo kung may business kayo. Laguna Water has provided us with quality water para sa aming medicines."*



**Miguel Antonio Hidalgo**  
ULPC Administrator  
UNILAB

Scan to view Laguna Water's  
10th Anniversary Video



# CONTRIBUTIONS TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Laguna Water values sustainability and champions the protection of natural resources, biodiversity, and inclusive growth. The Company concretizes these through the different sustainability programs it spearheads and its commitment to contribute to the achievement of the United Nations Sustainable Development Goals (UN SDGs), manifested through its business principles and processes.

In 2019 – 2020, the Company contributed to the realization of the UN SDGs, especially Goal 6 – Clean Water and Sanitation. It adopted strategies and undertook activities to concretize the five pillars of its Sustainability Framework, and as a result, also impact the attainment of the other SDGs.



## 17 PARTNERSHIPS FOR THE GOALS

**Target 17.16**  
Laguna Water partners with government agencies, other private companies, non-government organizations, and civil society organizations to spearhead projects that can serve as co-learning platforms to support sustainable development.

**Target 17.17**  
Laguna Water conducts TSEK ng Bayan and Lakkayan sessions for its partners, stakeholders, and even individuals to raise their awareness about the water process and wastewater management.

# 6 CLEAN WATER AND SANITATION

## 10 DECENT WORK AND ECONOMIC GROWTH

**Targets 10.2 and 10.4**  
Laguna Water thrives in diversity. Thus, it ensures that it is a safe space for all regardless of age, gender, race, ethnicity, and disability of its employees. This is manifested in the equal opportunities given to its talents and new hires. As of December 31, 2020, the total population of male employees is 130, while female employees are 73. Policies to ensure that no one gets left behind are also enacted by its Human Resources Department (HR) and are take into heart by the Leadership Team, Section Managers, and each individual contributor.

## 8 DECENT WORK AND ECONOMIC GROWTH

**Target 8.3**  
Laguna Water helps provide decent jobs to Filipinos through its infrastructure projects.

**Target 9.1**

Continuous infrastructure projects for the improvement of water and wastewater services were completed in 2019 and 2020. These projects include:

- 1,093 km of water supply pipes laid as of 2020
- 26 km of sewer pipes laid as of 2020

**Target 12.2**

As of 2021, NRW is at 20% compared to the 48% when Laguna Water started in 2009.

Electricity consumption is reduced by 767,465 kWh, while indirect greenhouse gas emission is lessened by 788,179 tons of carbon dioxide (vs. 2017-2018 data).

**Target 13.1**

Laguna Water creates measures to maintain its resiliency against hazards brought by natural disasters and climate change. These include the groundwater studies it commissioned to identify new water sources and assess the possible impacts of extreme weather conditions such as strong typhoons and flooding to its facilities.

**Target 15.4**

Laguna Water realizes its responsibility of protecting biodiversity through reforestation and watershed protection, thus it continues its Pasibol Tree Planting program. To date, 3,900 trees planted in several areas in Laguna including Matang Tubig Spring and Mabuna Watershed.

### Laguna Water creates value by providing clean water and sanitation to its customers.

**Target 6.1**

In 2019-2020, a total of 114,691,287 cubic meters was produced and distributed to its 144,250 households and 3,338 commercial/industrial customers, serving at least 737,940 individuals.

**Target 6.2**

In 2019-2020, 4,040 septic tanks were desludged. The Company also continues to treat the domestic wastes of 182 companies in LTI connected to its sewer line. Overall, 4,107,772 cubic meters of wastewater were treated.

Laguna Water also implements a special rate to underprivileged households under the Pamilyang TSEK Program.

**Target 3.3 and 3.4**

Laguna Water prevents water-borne and other communicable diseases by providing clean water and promoting proper sanitation. It also helps prevent premature mortality among its employees by conducting mental health and well-being promotion and counseling, especially at the height of the COVID-19 pandemic where a total of 18 one-hour sessions were allotted for related seminars and discussions.

**Target 3.6**

In 2019-2020, total safe man-hours are at 4,297,406, among Laguna Water employees, while 191,208 for contractors. Occupational Health and Safety (OHS) compliance training is also implemented regularly to ensure safety, especially in public areas and road construction sites.

**Target 3.9**

Hazardous wastes from its facilities are properly collected and treated by DENR-accredited service providers.

**Target 14.1 and 14.2**

486,017 kilos of Biochemical Oxygen Demand (BOD) were removed due to wastewater treatment in 2019-2020. Laguna Water also supports the rehabilitation of Laguna Lake by joining river cleanup activities and promoting proper septage management at the grassroots level.

**Targets 1.4 and 1.5**

In 2019-2020, 236 low-income households through subsidized water connection under the Ahon Tubig program and five public schools were given handwashing facilities under the Lingap program sponsored by Laguna Water and MWF. The Company also extended water and in-kind donations during crises. For the past two years, qualified low-income families were given a 100% discount for their monthly bill's environmental charge.



Scan to know more about the UN SDGs.

# LAGUNA WATER'S SUSTAINABILITY FRAMEWORK

GRI 201, 203, 303, 401



Laguna Water operates its business in ways that create shared value with its stakeholders and will achieve profitable growth and development without having detrimental impacts on the environment and society. Driving sustainability throughout its business, Laguna Water's corporate practices are anchored in the triple bottom line business principle which measures the Company's commercial success, not only in terms of profit but most importantly, on its positive impacts on people and the planet.

The triple-bottom-line approach allows the Company to simultaneously advance its corporate interests along with the development of communities and the promotion of environmental protection within its territorial boundaries.

The stability and effectiveness of Laguna Water's business framework are being supported by five pillars:

## Developing Employees

Employees are valued in Laguna Water. Their welfare and development are a top priority as they are considered ambassadors of the Company who reflect its culture and core values. Knowing that talents are essential in delivering quality services to customers, Laguna Water ensures that everyone working for the company is respected, engaged, and mentored.

## Helping Build Communities

Laguna Water believes that empowered communities drive sustainable economic performance. Thus, it helps build communities through the affordable and safe water and sanitation services it provides. The Company also spearheads community-based programs and projects which aim to empower them to achieve their fullest potential.

## Safeguarding Health and Safety

Laguna Water complies with necessary safety standards to ensure that its water is potable and safe for human consumption. It also adheres to OHS standards to make sure that all its facilities are compliant and accident-free for its employees, contractors, and surrounding communities.

## Protecting the Environment

Laguna Water holds itself accountable for safeguarding the environment. It is made possible through regular tree planting activities and a proper sanitation awareness campaign. The Company's compliance with the various laws and regulatory guidelines ensures that its business processes remain harm-free to the environment.

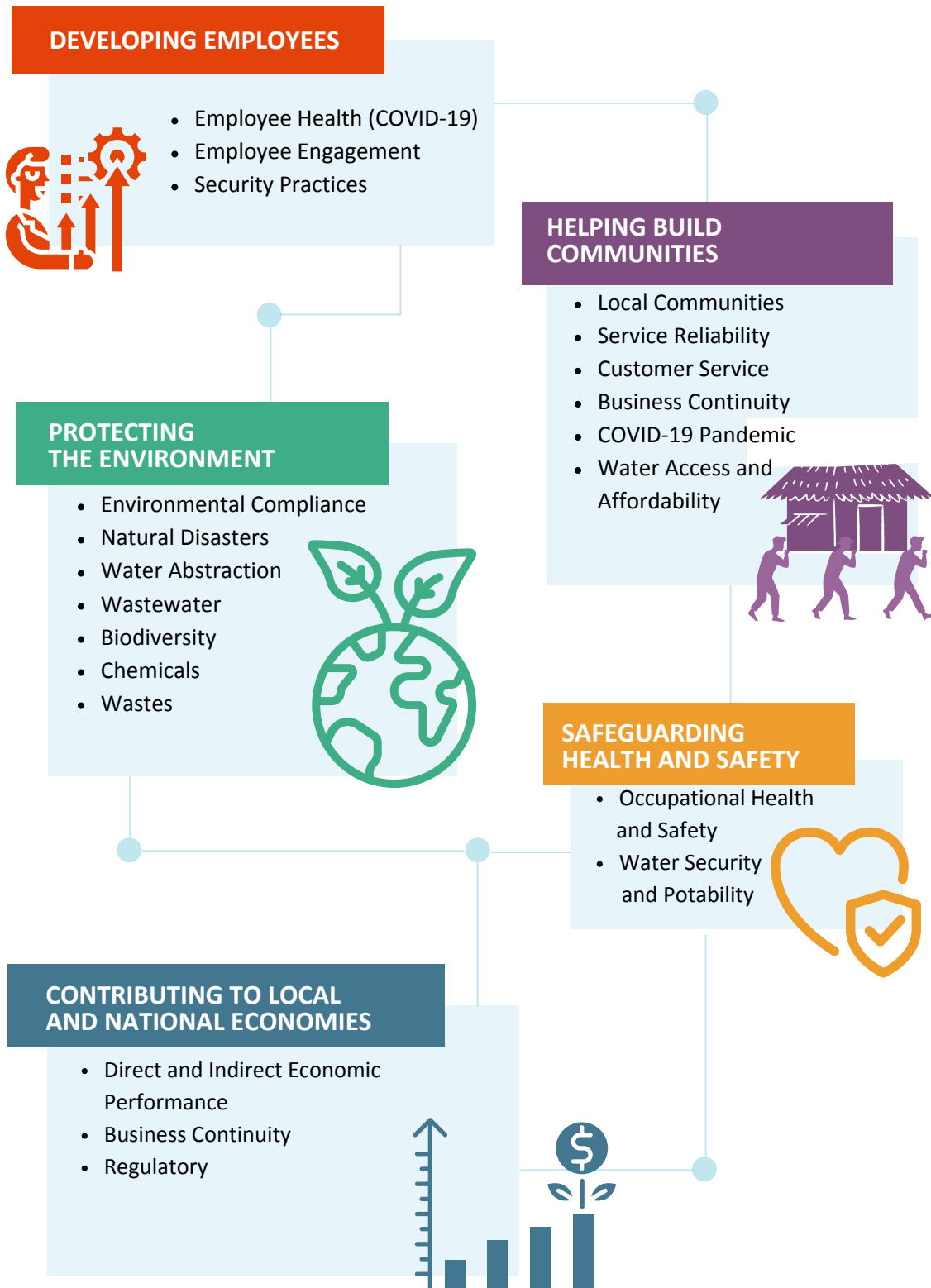
## Contributing to Local and National Economies

The absence of clean water and proper septage management contributes to the prevalence of water-borne diseases and extreme poverty. By providing affordable access to these services, the Company enables local communities to have the vitality to empower themselves and contribute to the economy. At the same time, the Company provides opportunities at a wider range by employing vendors for its projects.

# MATERIAL TOPICS

GRI 102-47

The material topics were selected through the collaboration of data owners from the different departments along with the Leadership Team (LT) of the Company. The topics identified were chosen based on their level of influence and impact on the different stakeholders of Laguna Water. During the workshop, some material aspects are not in GRI Standards but were maintained since these are considered important in the operations of the Company.



# STAKEHOLDER ENGAGEMENT

GRI 102-10, 102-40 to 102-44



**Employees**

## Channels of Engagement

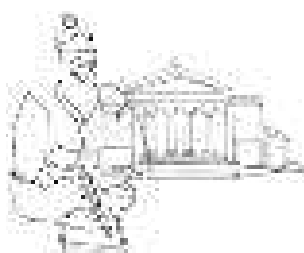
- Training platforms and programs
- Regular alignment meetings
- Safety and health meetings
- General assembly
- Regular Company updates
- Employee recognition
- Regular engagement activities to commemorate celebrations such as Company Anniversary, Christmas, Valentine's Day, Mother's and Father's Day

## Concerns Raised

- Talent development
- Communication and updates
- Safety and wellness

## Laguna Water's Response

- Creation of Individual Development Plan
- Succession planning
- Provision of access to all talents to online training platforms
- Sending of regular updates via Viber, SMS, and Employee Circle Facebook Group
- Implementation of safety and wellness programs and activities, a cascade and strict compliance with DTI-DOLE Guidelines on Workplace Prevention and Control of COVID-19, and a vaccination program



**Government Agencies**

- Regular visits
- Submission of reports and permit applications
- Participation in company events like project inauguration, summit, webinar, information education and communication (IEC) rollout

- Partnership with the government programs
- Compliance with government regulations
- Compliance to New Effluent Standard

- Implementation of sustainability initiatives/programs
- Ensure regulatory compliance by securing applicable permits and licenses, submission of reports, payments of required fees, and compliance with permit conditions
- Upgrade of existing Sewage and Septage Treatment Plant (SSTP) to include Biological Nutrient Removal in the system for compliance with the new effluent standards



**Investors**

- Financial Report

- Financial performance of the Company

- Release of financial reports





**Provincial Government of Laguna**

**Channels of Engagement**

- Regular visits and updates
- Submission of reports
- Corporate Social Responsibility (CSR)/sustainability engagement

**Concerns Raised**

- Regular updating of projects
- Service improvement plan and tariff adjustment
- CSR

**Laguna Water's Response**

- Regular communication/ updating of the status of projects/ proactive solicitation of feedback and concerns
- Annual presentation of Business Plan
- Implementation of sustainability projects (Daloy ng Saya, Linis Eskwela, Ahon Tubig, Lingap Eskwela, etc.)



**Customers**

- Laguna Water's Facebook page, 24/7 hotline, and email
- Regular barangay visits and house-to-house visits of Territory Managers
- Public information
- IEC and TSEK ng Bayan sessions
- Regular promos

- Communication on project updates, business operation updates, and water service interruptions
- Tariff affordability
- Customer service and payment accessibility during the pandemic
- Application and reconnection process

- Posting of updates and bulletins on social media and barangay bulletin boards
- Presentation of programs and announcement of water service interruptions through flyering, barker system, or formal communication to homeowners associations and barangay offices
- Launch of discounts and promos for reconnection and application
- Availability of online payment options

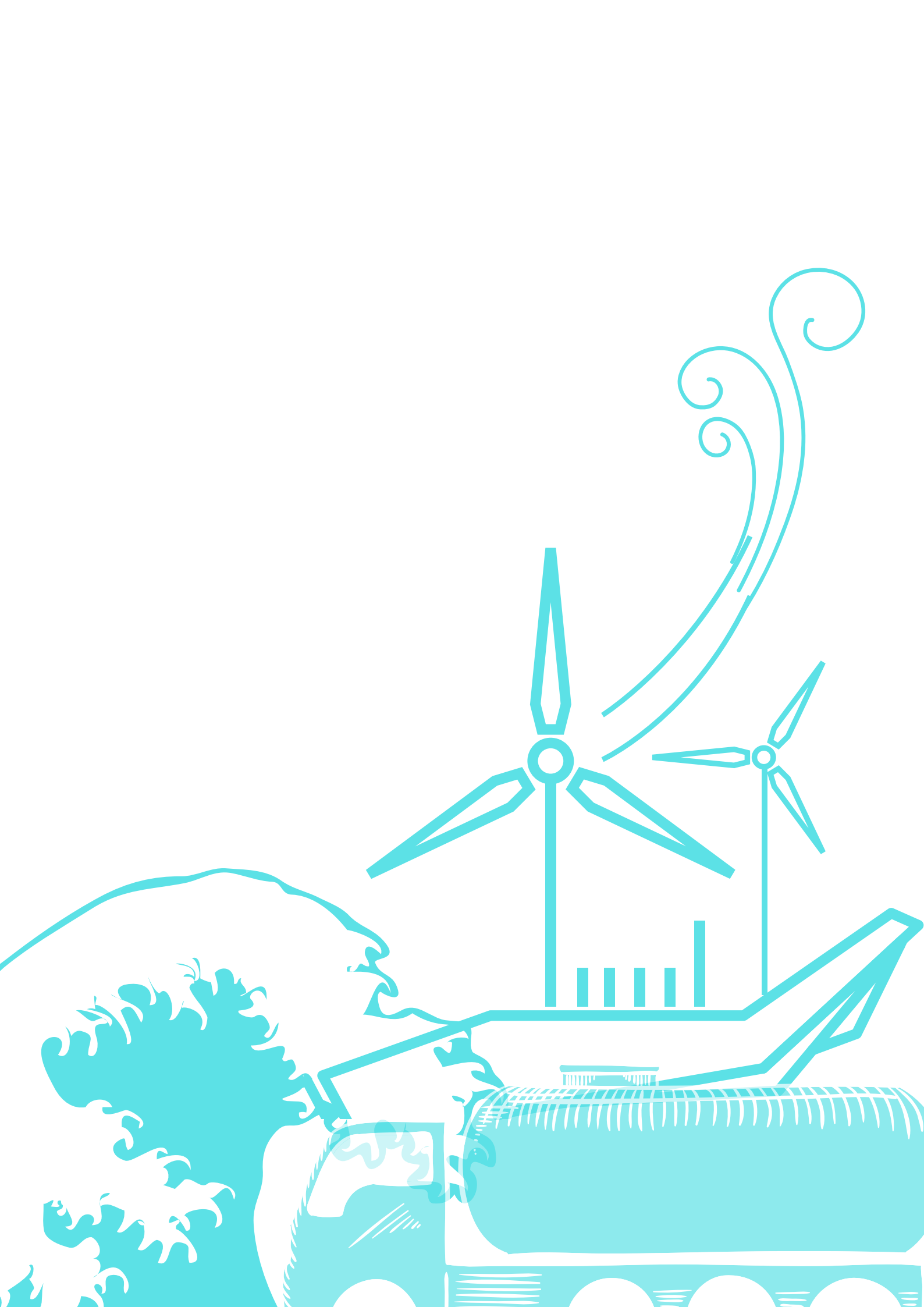


**Supply Chain (Vendors, Contractors, and Service Providers)**

- Safety orientations; and monthly contractors OHS committee meetings
- Contractors' performance evaluation
- Quarterly contractors' summit
- IEC through emails and bulletins

- Safety of supply chain
- Quality, Environmental, Occupational Health & Safety of contractors
- Development of contractors
- Updates

- Conduct safety orientations
- Sending of regular updates
- Implementation of additional and necessary pieces of training
- Contractor's Performance Evaluation Form



# RESPONDING TO CLIMATE AND PUBLIC HEALTH CRISIS



## ENSURING BUSINESS CONTINUITY IN TIMES OF CRISIS

GRI 102-10, 102-40 to 102-44

The year 2020 has been full of challenges. Just on its second week, the Taal Volcano, which has been dormant for over four decades, erupted bringing destruction to its nearby cities and municipalities. Its ashfall even reached as far as Central Luzon. Even before the first month is over, the first case of COVID-19 was reported in the country that triggered the implementation of ECQ on March 2021. Despite these circumstances, the Company was able to adopt measures that will ensure business continuity. Among these is the creation of the Call Tree App which was activated to monitor the status of employees and determine if they need rescue and any form of assistance.

At the height of the Taal Volcano Eruption, the Company implemented regular business continuity huddles and created an Incident Management Response Team, a team in charge of monitoring the current situation of Taal and providing necessary recommendations to ensure the safety of employees and company assets. Emergency drills among employees were also conducted in case of a violent eruption and earthquakes.

With these efforts, the Company was able to protect its employees and at the same time ensure that its services are available to its customers despite trying times.



*A Call Tree Application was launched to track the employees' conditions.*

## IMPLEMENTATION OF COVID-19 RELATED BENEFITS AND SAFETY PROTOCOLS

Laguna Water implemented health and safety protocols in its offices and facilities. A suitable work arrangement for employees was devised to minimize their exposure to the virus. For non-critical roles, work from home set-up was developed while making sure that deliverables are still met. Meanwhile, critical roles were identified as part of the skeletal workforce who will continue to work at the site or office to ensure that uninterrupted service is provided to customers. While they are at work, personal protective equipment (PPE) is provided to the talents as additional safety precautions. They also received a continuous supply of vitamins to keep them strong and healthy. Talents who were exposed to COVID-19 positive individuals are required to undergo a polymerase chain reaction test before going back to work. Call tree and health declaration were also being strictly monitored by HR.

Talents serving at the frontline were also provided with hazard pay and were made eligible to file compensatory time off. Support to employees of service providers was also extended through the provision of social amelioration and gratuity pay.

These efforts were made on top of the regular benefits enjoyed by the employees. Competitive salaries, financial assistance, government-mandated benefits, and other allowances were maintained during these times. Moreover, Laguna Water talents are enrolled in insurance policies and medical health cards to ensure that they will be able to access quality healthcare services and insurance benefits when needed. Despite the implementation of a work from home arrangement, employees are still entitled and encouraged to use their leave benefits especially to take time off from work for their overall wellness.

COVID-19 RELATED BENEFIT	ELIGIBILITY	PERIOD OF COVERAGE
<p><b>COVID-19 HAZARD PAY</b></p> <p>This was implemented to all the skeletal workforce of the Company who physically reported to work during the ECQ.</p>	Laguna Water skeletal workforce	March - May 2020
<p><b>COMPENSATORY TIME OFF (CTO)</b></p> <p>Aside from the Hazard Pay, the skeletal workforce was allowed to file CTO equivalent to the work they rendered.</p>	Laguna Water skeletal workforce	June - September 2020
<p><b>SOCIAL AMELIORATION &amp; GRATUITY PAY</b></p> <p>Social amelioration was given to employees of service providers who were unable to work during ECQ equivalent to one month's pay.</p> <p>Gratuity pay was given for the employees of Laguna Water service providers who are part of the skeletal workforce during the ECQ. Each employee received Php2,000.00. PPEs such as face masks, face shields, and even hazmat suits were also distributed.</p>	Service Providers	March - April 2020

## NEW NORMAL ENGAGEMENT

Laguna Water introduced the new normal engagement among its employees amidst the pandemic. These programs aim to inspire and motivate talents despite the challenges faced, to keep them connected and engaged, to keep a healthy mind, and to spread positive vibes.

Launched last May 2020, the program includes the following:

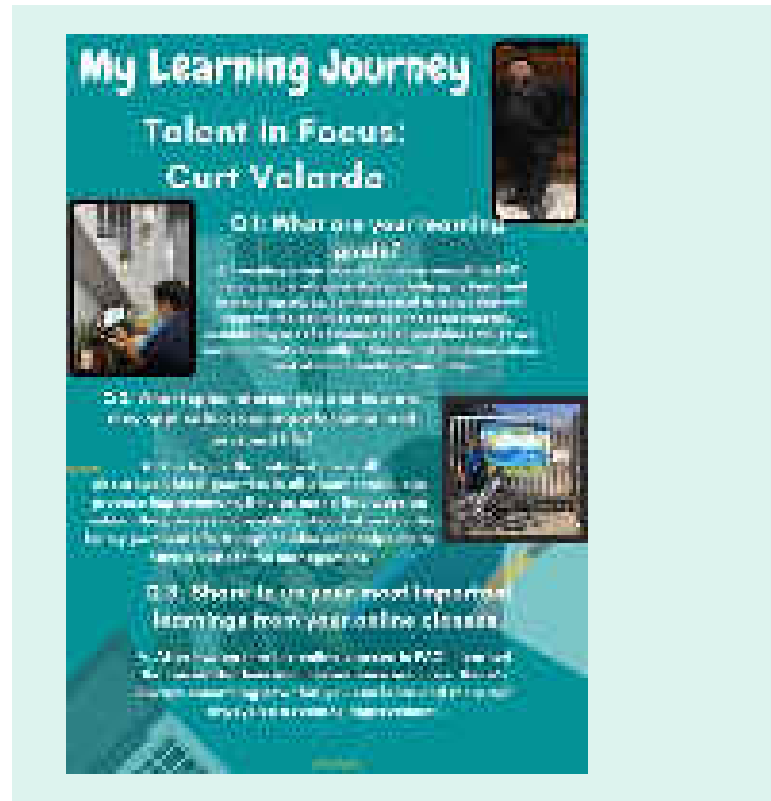
- Altitude Check - an activity to know the talents' perception towards themselves, their team, and the Company. Target participants are all talents with direct reports (Leadership Team, Section Heads, and Section Managers). This program aims to check how the talents are coping up with the new normal and the new work set-up. The perception of talents towards each other was also gathered to strengthen the team and increase support for each other and to the Company. Through the program, best practices on effective team collaboration during the work from home set-up were also shared.

- New Normal Engagement – are activities scheduled daily wherein talents share their story or knowledge depending on the topic.
  - SAFETY MONDAY – features a three-minute video showing the talents' effort in preventing the spread of COVID-19 to their family, at the workplace, and in their community.

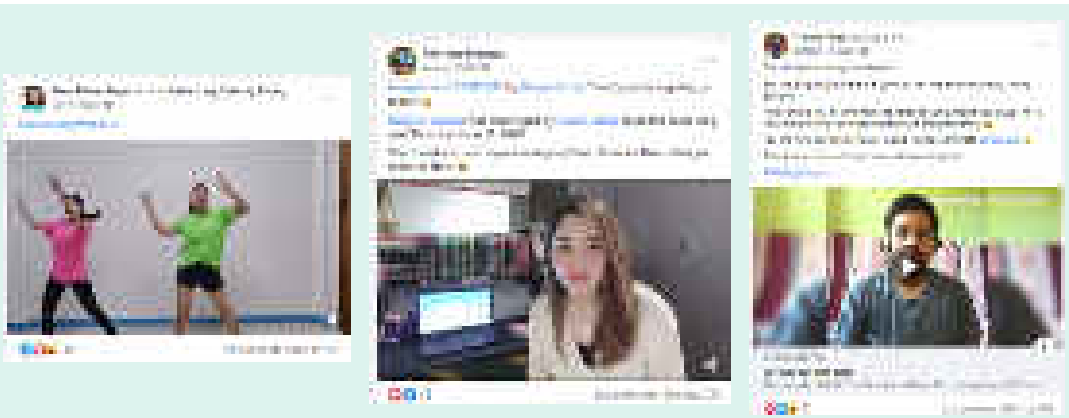


*Nominated talents share their safety practices to prevent the spread of COVID-19.*

- o Learning Journey – conducted every Tuesday through the Manila Water PVAP Academe where talents are encouraged to dedicate their Tuesdays for an e-learning session at Percipio.
- o Wellness Wednesday – conducted via Facebook Live or a Facebook post, a talent will lead an exercise class or any health tips to encourage others to be fit and healthy.
- o Inspirational Thursday – a session where one talent from the Company will tell his/her new normal story and how he/she is maintaining positive vibes despite the mental stress caused by the ongoing pandemic.
- o We Sing Friday – a “can’t say no” challenge wherein one talent will sing a song from the WeSing App and upload it to the Laguna Water Employee Circle Facebook Group to showcase talent, entertain, and promote a positive mindset.



Laguna Water talents are encouraged to maximize the online courses available at Percipio.



The Laguna Water Employees' Circle Facebook Group is the main platform where daily employee engagement activities featuring talents are being uploaded.

- KAANIB sa Agos Awards - a PVAP-wide team award that was launched last 2020. This program recognizes teams of Manila Water PVAP who have made significant contributions by working on a note-worthy project or initiative that helped mitigate critical operational issues or had improved business processes for either short or long-term periods. Laguna Water won the first prize with its entry LAGABLOVE which featured South Luzon’s effort during the Taal Volcano eruption. The story includes acts of volunteerism of employees of South Luzon in providing potable water and its effort on business continuity during the crisis in Taal.



Laguna Water got the KAANIB sa Agos Award in 2020 for its disaster response initiative when the Taal Volcano erupted.

Other engagement programs such as Company Anniversary and Christmas Party were celebrated online. Also, monthly General Assemblies were held to keep employees updated on company-related information. During General Assemblies, a significant portion is allotted for virtual engagement activities to help de-stress employees.

With all these programs implemented by HR, the average total engagement of the Company is a highly satisfactory rating.

Positive results on the Ayala Engagement survey are also expected with these efforts.

This 2021, Laguna Water is inspired to improve and provide more programs and engagement activities that will motivate and inspire talents more. Plans on strengthening programs on mental health and training and development despite the challenges of the pandemic are underway.

## PRIORITIZING SAFETY IN THE WORKPLACE

GRI 2018:403, 2018:403-1 to 2018:403-5

Laguna Water has always been actively prioritizing compliance to all safety protocols and regulations throughout the years of its service. The Company is being strongly led by the LT in pursuing full compliance to safety with the help and assistance of the duly trained and qualified Safety Personnel and Safety Kasangga.

As of the present Laguna Water has recorded and accumulated a total of 2,620,515 safe manhours without lost-time accidents. One of the strong key-point in ensuring safety in all Laguna Water facilities and projects is the established relationship and communication with Laguna Water contractors. The Company has implemented a regular safety and health committee meeting that is being attended and actively participated by the contractors by sharing their best safety practices implemented at their company. This safety and health committee meeting is also being utilized as a good venue in cascading safety learning sessions, updates, and protocols as well as the compliance status of the contractors.

During the pandemic, interactions had been limited by the restrictions implemented by the government and the protocols implemented by the Company. To prioritize everyone's safety, Laguna Water conducted a virtual/online safety audit and inspections with the contractors. This measure aims to ensure that safety is not being neglected in the new normal and serves as the evaluation and coaching support of the Laguna Water Safety Team to the contractors in terms of implementing construction safety protocols as well as COVID-19 prevention and control guidelines.



*Safety bulletins are regularly released to remind employees how to protect themselves better.*

# BUSINESS PROCESS DIGITIZATION FOR CUSTOMER SAFETY AND EFFICIENCY

GRI 2018:403, 2018:403-1 to 2018:403-5

Digitization is no longer new to Laguna Water because it started to shift to online tools in 2019. This initiative was further advanced when the Taal Volcano eruption and the COVID-19 pandemic happened when physical reporting to the offices was limited, and the entire support section must work from home. The internal ticketing system was automated, and the document repository and monitoring tools were immediately shifted online without incurring additional costs.

Laguna Water offers diverse customer service touchpoints to ensure continuous after-sales service. Additional options like customer portal wherein they can log their concerns at the convenience of their homes.

- Online Business Support Kiosk (SuKi) – backroom ticketing system with automated routing
- Online New Water Service Connection with Automated Approval and Routing (from application to meter installation/accomplishment report)
- Online Promissory Note with Automated Approval and Routing
- Customer Service Kiosk (Queuing System)
- Disbursement (Request for Payment) Automated Approval and Routing

The service hotline for calls is made available 24/7 while queries made via SMS, Facebook, and email were answered within the day’s business hours.

These programs did not only provide immediate resolution to customer concerns and requests but also empowered manpower efficiency across the organization most especially to the revenue support and the territory teams.

On the other hand, as a result of the increase in unemployment and customers’ limited access to payment facilities because of the community quarantine restrictions, Laguna Water’s collection efficiency dropped to as low as 32% in April 2020. The collection team fast-tracked the negotiations and engagements to potential payment partners especially those with automated channels such as online applications and automatic debit arrangements. With the help of the branding team, Laguna Water also leveraged on social media platforms especially now that most customers spend more time online – announcements, photos, and video tutorials on how to pay online were created and posted as frequently as possible.

The marketing of a low-cost online payment channel was also intensified. This resulted in a 609% increase in its monthly transactions from 3,000, before the pandemic, to almost 30,000. This did not only ensure safety to customers who were diverted to digital platforms but also brought about a PhP0.814M annual OpEx reduction in payment transactions.



Laguna Water launched more online payment channels to ensure safety and convenience of customers.

Do you know that you can settle your Laguna Water bill via Lazada? Scan this code to know more!



## CARING FOR CUSTOMERS WHILE CONTRIBUTING TO THE ECONOMY

GRI 203, IF-WU-240a.4

The pandemic caused many businesses to close and brought unemployment to unprecedented levels. Laguna Water fully supported the Bayanihan to Heal as One Act and immediately implemented the suspension of late payment fees and disconnection activities. Since most households became more concerned about health and safety, the Company realized that there is a need for a sustainable and clean water supply even to the inactive customers. This paved way for the introduction of monthly promotions where discounts on the new connections and reopening fees were applied. The staggered payment options were also modified based on the current needs of the customers.

The pandemic caused an increase in the Company's account receivables by Php178.66M. But with the concerned team's aggressive collection initiatives, Laguna Water's collection efficiency immediately shoot up to an average of 111% from June to December 2020 even when the modified ECQ was again raised in August 2020. These results are attributed to the following activities:

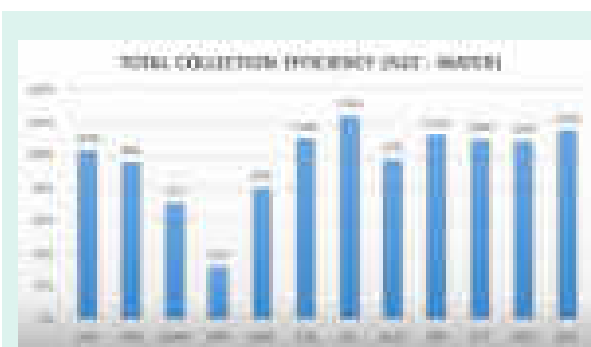
- New payment channels – accreditation of new banks, online apps, auto-debit, and wire transfer
- Photo and video tutorials – launch of learning materials that teach customers to pay their bills using online payment channels/applications
- Adopt-a-DMZ – An inter-department initiative where more than 30 volunteers from different departments were assigned to Demand Monitoring Zones to conduct telecounseling.

Even with the changing quarantine restrictions, Laguna Water still managed to end the year 2020 with a 97% year-to-date collection efficiency and a Php127.57M (71%) recovery of ECQ unpaid bills.

On the other hand, even when most Key Accounts' finance and administration personnel are working from home, Laguna Water's Key Accounts team was able to keep them engaged and expectations were managed accordingly.

In fact, revenue was guaranteed through timely feedback from the locators, and collection efficiency was secured at 99% at the end of 2020.

Extending care to communities not yet served, Laguna Water responded to their need for a more sustainable and clean water supply, especially that this pandemic made people more concerned about sanitation, health, and safety. This paved way for the implementation of pipelaying projects in the midst of the pandemic in the unserved areas of Cabuyao City. The availability of these facilities allows them to have the freedom to choose and have better access to quality services.



Laguna Water ended the year 2020 with a 97% year-to-date collection efficiency and a Php127.57M (71%) recovery of ECQ unpaid bills.



Laguna Water suspended late payment fees and disconnection activities to support the Bayanihan Act enacted in March 2020. The Company also launched new payment channels for the convenience and safety of customers.

# EXTENDING WATER ASSISTANCE TO CALAMITY AFFECTED COMMUNITIES

GRI 203, 203-1, 413, 413-1, IF-WU-240a.4

Laguna Water fulfills its promise of providing clean and safe water and wastewater services not only to its customers but also to marginalized and crisis-stricken communities in the country. Efforts to help families affected by natural calamities and health emergencies are manifestations of how the Company and its employees concretize Care or Malasakit, which is among its Core Values.

In 2019, the El Niño phenomenon resulted in the water crisis in Metro Manila and nearby provinces. Despite not being directly hit by the crisis, the Company extended support to affected communities by providing water tankering services. The Company also conducted and released information vital to water conservation, while its employees volunteered to check the water pressure in affected areas and answered queries received online.

When the Taal Volcano erupted in January 2020, the Company, together with MWC, was among the first to send water assistance to affected families in the provinces of Batangas, Cavite, and Laguna. Realizing the critical role of water in maintaining the health and hygiene of the survivors, the Company sent its 10-cubic-meter water tankers containing potable water. Through this effort, a total of 914,000 liters of water was distributed to at least 9,500 families.

The calamities experienced by the country in 2020 did not end with the eruption of the Taal Volcano. Barely a year after its eruption, several typhoons hit Luzon that resulted in massive flooding. As a response, Laguna Water, in partnership with MWF, extended water relief to Oas, Albay after being hit by the back-to-back Typhoons Quinta and Rolly. A total of 1,000 gallons of water benefitting 200 families were distributed through the office of the Laguna Provincial Administrator and Laguna Water Chairman of the Board, Atty. Dulce G. Hilario-Rebanal.



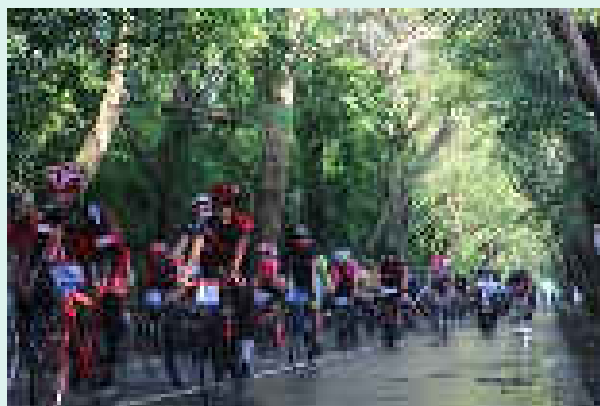
*Immediate water relief was sent to families affected by Typhoons Quinta and Rolly in Oas, Albay.*



*Day and night, Laguna Water volunteers tirelessly brought water and assisted the distribution to the communities affected by the Taal Volcano eruption.*

Laguna Water further extended help to affected families in the Bicol Region by supporting the fundraising activity for typhoon victims in Virac, Catanduanes spearheaded by Pakil, Laguna Mayor Vince Soriano. Hydration support in the form of 1,000 gallons of bottled water was provided in the 52KM bike-a-thon which stretched from Pakil-Poblacion to Casinsin held last December 2020.

When Typhoon Ulysses brought havoc in Region IV-A, National Capital Region, and Northern Luzon, the Company made sure to also extend help especially to the affected communities in Laguna. Responding to calls of support for the Lagunenses, Laguna Water reached out to communities in need of clean and potable water. In coordination with PGL, the Company provided water tankering services to more than 600 evacuated families in Barangays Dela Paz and Malaban in Biñan City, and Barangays Aplaya and Sinalhan in Santa Rosa City. Aside from the communities located in its concession area, Laguna Water extended its assistance to municipalities found in the 2nd and 4th districts of the province. In addition to the cities of Biñan and Santa Rosa, water tankering services were also provided to help the families in Brgy. San Antonio in Bay and Brgy. Pag-asa in Mabitac, Laguna. More than 11,000 gallons of water were deployed to support the necessities of the families in the various evacuation centers in Laguna. This simple act of kindness only testifies that Laguna Water, amidst challenges and calamities, will always be reliable in helping the community through the provision of clean, safe, and potable water.



*In partnership with MWF, the Company supported Mayor Vince Soriano's bike-a-thon, a fundraising activity for typhoon victims in Catanduanes. (Bottom photo from Mayor Vince Soriano's Facebook Page.)*



*Brgy. Dela Paz Evacuation Center in Dela Paz Elementary School in Biñan City*



*Brgy. Aplaya, Santa Rosa City*

# AMPLIFYING WATER SUPPORT AMIDST A PUBLIC HEALTH CRISIS

GRI 203, 413



Without a doubt, water is a vital resource in carrying out daily activities especially in maintaining health and safety. This critical role of water was amplified when the COVID-19 virus was declared a pandemic.

To support the government in curbing the spread of the virus, Laguna Water extended assistance to the COVID-19 referral and quarantine facilities in the province. To keep health workers hydrated and help patients recover faster, 500 gallons of potable water and nine units of water dispensers were donated to a COVID-19 referral facility in Santa Rosa City.

In addition, the Company also helped in the establishment of the COVID-19 quarantine facility in the Municipality of Pagsanjan by providing free water service connection to Hotel La Corona.

Aside from this, Laguna Water also provided 500 liters of disinfectant solutions to various government and private offices within Laguna, including Santa Rosa, Biñan, Cabuyao, Santa Cruz, Calamba, Los Baños, and Pagsanjan, to help them sanitize their facilities and prevent the spread of the virus.

Through the Daloy ng Saya program, more than 200 medical front liners and 600 typhoon-affected families in Laguna were provided with food, PPEs, and disinfectant solutions. In 2020, the Company brought joy to General Juan Cailles Memorial Hospital in Pakil, Luisiana District Hospital, and Barangays Malaban and Dela Paz in Biñan City.

As the pandemic continues in 2021, Laguna Water never ceases to extend support to public institutions to combat the virus. In collaboration with MWF and its partners, Laguna Water also helped capacitating public schools in their current operations and when face-to-face classes resume. A 10-faucet hand hygiene facility was constructed and turned over in Dita Elementary School in Santa Rosa City in February 2021 along with hygiene kits. Similar products to maintain hygiene were also donated to Caingin Elementary School in Santa Rosa City, Victoria, Laguna Health Center, and Pagsanjan Rural Health Unit.

On the other hand, similar facilities in public markets in Santa Rosa City and Cabuyao are also to be constructed in 2021 to provide water access for hand hygiene purposes of market vendors and market-goers in the said areas.



*Laguna Water's Daloy ng Saya brings joy to the front liners in hospitals in Pakil and Luisiana (above) and to the typhoon-affected families in Biñan City (below).*



*Laguna Water partnered with MWF to carry out several initiatives to help curb the COVID-19 pandemic.*



**LEADING  
CHANGE  
THROUGH  
SUSTAINABLE  
BUSINESS  
PRACTICES**



# ANSWERING TO THE DEMAND WHILE PROTECTING WATER SOURCES

GRI 303, 303-3, IF-WU-140b.2, IF-WU-440a.3

Over the years, Laguna Water has continuously improved its business of providing safe water by employing projects that will answer to the demand for clean water without compromising its water sources.

In 2019, the Company provided further improvements to Laguna Well Field, an area that has an abundant water supply that is projected to be sustainable until 2070. Though operationalized in 2016, the facility was enhanced with the completion of the SLEX Pipe Crossing in December 2019. These 100mm diameter transmission lines of Laguna Well Field will allow Laguna Water to realize its mission to provide exceptional water service to its customers. Currently, it provides the City of Santa Rosa, Biñan, and Cabuyao with a centralized water distribution plant which will improve water pressure, water quality, and availability. From only 14% coverage in 2009, the construction of Laguna Well Field improved the coverage to 64% in 2019. Water availability also improved in which residents of the said areas enjoy 24 hours uninterrupted water supply, with pressure improvement from 7 psi to 25 psi. Aside from improving the water supply service of Laguna Water, the development of the facility also allowed the decommissioning of 70 deep wells that reduced the stress in the water table caused by groundwater extraction.

The development of the Laguna Well Field also made it possible to improve chemical efficiency by 97% using an On-site Chlorine Generator System or MIOX, from 0.24 kg per cubic meter of water to 0.008 kg per cubic meter of water. This generated a Php1.47M annual savings on chemical cost and reduced the risk of a chemical spill on chlorine loading and the hazard of chlorine gas leakage.

Lastly, the Company also conducts a periodic groundwater study to continuously ensure water availability versus increasing demand. These include the planned feasibility study on Pagsanjan surface water and negotiations to increase supply from MatangTubig Spring. In 2019-2020, more than 98.5% (112.98M cubic meters) of raw water abstracted was from groundwater while the remaining nearly 1.5% (1.70M cubic meters) was from Matang Tubig Spring.



*Bridge Crossing Aerial View*



*Construction of the SLEX Pipe Crossing Project*



# CHAMPIONING PROPER WASTEWATER MANAGEMENT

GRI 306

Consistent with its mission of protecting the environment, Laguna Water has championed the operations and management of wastewater services in the province. Since 2014, Laguna Water has been operating the LTI Sewage and Septage Treatment Plant (SSTP).

LTI SSTP has a maximum daily capacity of 11 million liters per day (MLD) for sewage treatment and 70 cubic meters per day for septage acceptance and treatment. It has a total land area of 11,420 square meters that houses the following project components: sewage treatment plant lift station, moving bed bioreactor tank (4.5 MLD) and fixed bed biofilm activated sludge tank (6.5 MLD), post aeration tank, three clarifiers, two aerobic digesters, scum pit tank, chlorine contact tank, discharge box and belt press, equalization tank, flocculation tank, disk filter tank, sludge holding tank, Return Activated Sludge/Waste Activated Sludge pump station, motor pool, bio-solids holding tank, septage treatment plant, office, water, and wastewater testing laboratories, storage room, chlorine stock room, hazardous waste room, mess hall, sewer lines, standby generator sets, hauler trucks, and other related support facilities.

Inside the facility are the treatment processes which are categorized into four: (1) Pretreatment, (2) Biological treatment, (3) Sedimentation, and (4) Disinfection.

1. The pretreatment process utilizes screens to remove dirt and aeration to remove oil and grease. Flowmeters were installed in the facility to strictly monitor the influent/wastewater volume coming from over 180 LTI locators.
2. Biological treatment includes the Food Chain Reactor technology which uses plant roots and biofilm as microorganism's habitat and the Moving Bed Bioreactor technology which instead uses Biomedia as habitat for microorganisms. These systems use an attached growth method which results in thin sludge production.
3. Sedimentation through clarifiers where settling governs the process. Suspended solids settle at the bottom while overflow goes to the chlorine contact tank for disinfection.
4. Disinfection uses chlorine solution to remove coliforms from the treated water.

After disinfection, the treated water (effluent) is returned to bodies of water through the drainage going to the Santa Rosa River. With continuous compliance with environmental regulators, Laguna water consistently complies with the parameters set in the general effluent standard. A third-party laboratory conducts the sampling activity to ensure that the effluent is within Class C standards, which is for recreational/fishery water (standard for domestic wastewater treatment plant). In 2019-2020, 486,017 kilos of BOD were removed due to wastewater treatment. Overall, 4,107,772 cubic meters of wastewater were treated.



From top to bottom: Food Chain Reactor, Clarifier, Disk Filter

In the same year, Laguna Water secured a PhP410M project focused on facility upgrades to comply with the new standard parameters under DENR Administrative Order 2016-08 where Biological Nutrients Removal parameters are strictly monitored. The upgrade includes rectification of the existing system through additional processes such as installation of anoxic tanks, additional tertiary treatment using disc filter, blower upgrade, and additional chemical

dosing. The upgrade will run a one-year process proving to ensure that the system runs effectively and operates efficiently.

Laguna Water, the leading water and wastewater services provider in Laguna, continuously provides innovations and upgrade on the facility to consistently promote sanitation services in the whole province of Laguna.



*Lift Station Upgrade*

## LAGUNA WATER'S SEWER MANAGEMENT PROGRAM

GRI 306, 306-1, 306-2, 306-3

The key to an efficient operation of a sewerage system is a well-planned and well-executed maintenance program. In 2015, Laguna Water started its initiative of providing Laguna Technopark, Inc. (LTI) a comprehensive sewerage management plan which included regulation of discharge from locators, accurate asset tagging, inspection, and cleaning of sewer pipes, and finally a well-drafted maintenance plan that has been progressing through the years.

The initiative began by drafting and implementing a Discharge Policy (DP) agreed upon by Laguna Water and LTI locators. In LTI, the Company manages the 25 km sewer network system which transports the domestic wastewater discharge of 182 companies inside the technopark. These locators are all connected to LTI's main sewer line going to the LTI Sewage and Septage Treatment Plant (SSTP). The wastewater coming from the discharge pipes of locators is regulated and maintained at a level within the design parameters of the influent entering LTI SSTP.

By compliance with the policy, locators are issued a Certificate of Interconnection (COI) which they can use on their application for permits from our government regulators. The DP also covers random discharge sampling for locators, annual COI application, standard design for grease traps, and the agreed shared responsibilities in this environmental program.

Upon the implementation of the DP, Laguna Water focused on the improvement of its facilities including sewer network, lift stations, and facility upgrade to cater to the additional wastewater flow. The lift stations were originally designed and constructed in 1992. The installed pumps and tanks have the capacities based on the projected demand during that period. When Laguna Water took over its operations in 2014, the maintenance of tanks and improvement of the screening system also started. In anticipation of the increase in demand for the locators, Laguna Water also initialized the rehabilitation and upgrade of all the eight lift stations in LTI.

After the completion of the rehabilitation projects for the lift stations and LTI SSTP in 2018, Laguna Water focused on its sewer network maintenance. For the past years, LTI had experienced occasional clogging and overflow incidents. Laguna Water has been very dedicated to providing immediate solutions for these incidents through its responsive team of wastewater operators. This, however, will not resolve the root cause of the problem. Thus, to ensure clog-free, reliable, and efficient sewer network, Laguna Water purchased its sewer jetter. With this equipment, the accumulated sediments on sewer pipe walls were removed through a highly pressurized jet of water, thus further extending the asset life of the existing 29-year-old sewer pipes.

Aside from the sewer jetter, in 2019, Laguna Water also purchased a sewer closed-circuit television (CCTV). This equipment is used to monitor and assess the conditions of sewer pipes thru online surveillance by inserting a camera from one manhole to another.

The clips are recorded and are used as a reference to the scheduled repair and maintenance program. In 2020, both the sewer jetter assessment and sewer CCTV activities were completed across the area.

After all the assessment and preparatory works implemented from the previous years, Laguna Water is now ready to execute its repair and maintenance program through Sewer Network Investigation and Improvement Program (SNIIP). The implementation of SNIIP this 2021 will include the repair, rehabilitation, and replacement of sewer pipes, manholes, and other appurtenances. This process of careful assessment and execution of its sewer management program helped Laguna Water optimize its OPEX, ensure the company's compliance to regulatory bodies, and provide its customers efficient and uninterrupted wastewater services.

## SEPTAGE MANAGEMENT MASTERPLAN

GRI 306, 306-1 to 306-3

In 2019-2020, Laguna Water was able to serve 4,040 households and 182 companies in LTI despite the Taal Volcano incident and the COVID-19 pandemic. Moving forward, Laguna Water aims to expand its environmental services to other cities and municipalities in Laguna.

In 2020, Laguna Water started the desludging survey for these areas, in preparation for the actual implementation of the desludging activities in 2021.

In addition, Laguna Water plans to build and operate new septage treatment plants in strategic locations to effectively cater to the needs of the increasing number of customers in the province.

Despite the emerging challenges in environmental protection, Laguna Water remains to be the province's kasangga in providing and expanding its environmental programs to the community.



*Desludging services are made available to Laguna Water customers in Biñan, Cabuyao, Sta. Rosa, and Pagsanjan.*

# COMMUNICATING CHANGE, HARBORING ADVOCATES

GRI 306, 306-1 to 306-3

In 2019-2020, Laguna Water continued with its TSEK ng Bayan program which aims to bridge the gap between the knowledge and practice of proper sanitation in the Province of Laguna, through awareness programs and activities about wastewater management and the dangers posed by untreated wastewater to health, environment, and economy.

Among the milestones of the program is when it held a wastewater management summit titled TSEK ng Bayan Summit: Bringing Back the Vibrance of Laguna Lake held at the Development Academy of the Philippines in Tagaytay City. Around 150 government leaders and representatives from the 30 cities and municipalities of Laguna together

with LLDA, DENR, and the Department of the Interior and Local Government gathered for the TSEK ng Bayan Summit to discuss the possible actions needed to rehabilitate and protect Laguna Lake.

Aside from this, the Company also celebrated the 2019 World Toilet Day in partnership with MWF where they donated a three-cubicle public toilet in Barangay Malaban in Biñan, Laguna. Attending the celebration were around 150 residents who also received a TSEK ng Bayan session.

Through these efforts, the Company expects to be able to gain better support in the implementation of its desludging services with its continuous collaboration with local leaders and communities.



*Laguna Water in partnership with MWF celebrated the 2019 World Toilet Day. A full day of activities was prepared for community members of Brgy. Malaban, Biñan City who also received a communal toilet built under Ahon Sanitasyon program.*

*Aside from the facility, residents of the barangay also learned about the importance of proper sanitation and wastewater management through games and lectures lead by MWF which was followed by a wastewater facility tour under the TSEK ng Bayan program.*

## MANAGING WASTES, CREATING NO HARM

GRI 306-2

Laguna Water's waste management program aims to comply with the mandate provided by regulators in terms of proper disposal and treatment of the hazardous and non-hazardous waste generated by each facility to help protect the environment. A DENR accredited third-party hauler is being tapped to collect, transport, treat and dispose of the generated hazardous waste from LTI SSTP and laboratory.

Through this activity, the potential risk of used chemical mixing and exposure to these chemicals will be reduced and avoided.

Hazardous waste management involves reducing the number of hazardous substances produced, treating hazardous wastes so as not to damage the environment, and applying sound engineering controls to reduce or eliminate exposures to these wastes.

LTI SSTP mainly produces waste such as busted lamps, COD/nutrients vials, and used oils which were stored properly inside the hazardous waste storage room with a yellow label provided by DENR for standard labeling and for easy monitoring.

Laguna Water Chemical Laboratory, on the other hand, generates the greatest number of hazardous wastes which mainly includes used chemical waste and were stored in carboys with standard labeling.

Recently, Laguna water joined Eco Index, an industry-based non-stock, non-profit organization composed of Prime Industrial Estates in Region IV-A wherein its main advocacy is the adaption of industrial ecology and encourages industries to take part in offering unlimited hauling and free permit to transport documentation. With this organization, Laguna Water was able to properly dispose of around 0.297 metric tons of hazardous waste.

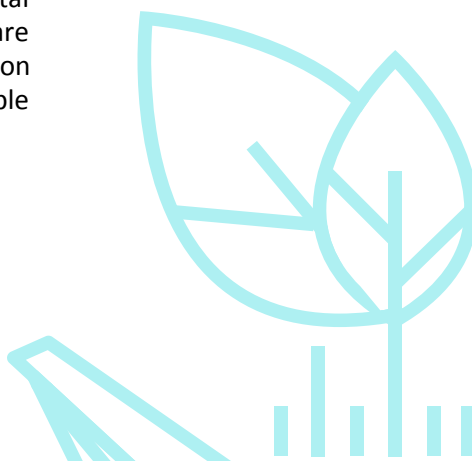
## RESPONDING TO ENVIRONMENTAL RESTORATION AND PRESERVATION

GRI 306-2

In response to the call for environmental restoration and preservation, Laguna Water recently launched its new sustainability initiative – Green-minded: Laguna Water's Research and Development Program. This program aims to provide technical solutions to environmental concerns.

With volunteers from different units and departments collaborating for a unified goal, each team will explore, study, and propose projects focused on sustainability, environmental protection, and operational efficiency. There are three teams with three different areas to focus on – biosolids reuse and/or reduction, renewable energy sources, and effluent re-use technology.

The hauling of biosolids generated by the LTI SSTP from the collected domestic waste is one of the biggest contributors to the high operating expenses of the plant. The reduction of the volume through an efficient drying system will also result in a significant reduction in the cost of hauling. Moreover, the utilization or conversion of the biosolids into a much useful product such as biogas, bricks, or soil conditioner can upcycle the waste and can either be an additional source of revenue or an alternative source of energy.



Lastly, the effluent re-use technology initiative aims to look into technologies that can process or further treat the effluent of LTI SSTP to be used as a source for deep well recharge and/or as an additional industrial water supply for LTI locators.

Anchored to the Company's core values, the Green-minded initiatives are collaborative efforts of Laguna Water talents from different departments aiming to achieve solutions and alternative ways to care for humanity and promote sustainability to save the planet and future generations.

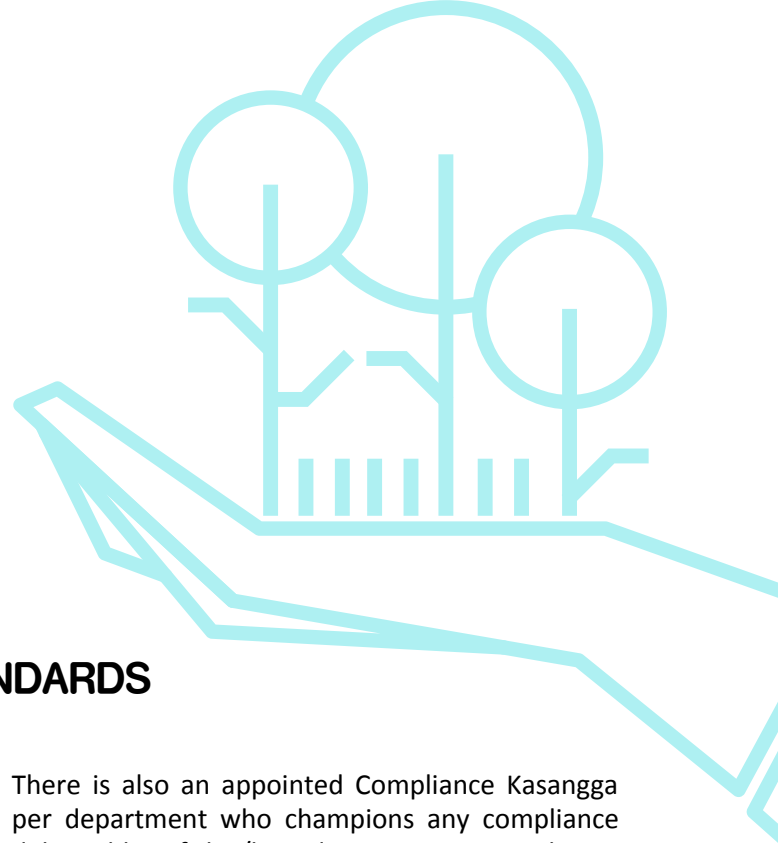
## ADHERING TO COMPLIANCE STANDARDS

GRI 102-12, 307

Laguna Water, a provider of water and wastewater services, commits to comply and adhere to the legal requirements, rules, and other regulations coming from the various government agencies such as the National Water and Resources Board, DENR, LLDA, Department of Health, Department of Labor and Employment and other agencies including local government units (LGU) and partnership with PGL and water districts. Maintaining a positive and strong relationship with the stakeholders and regulators is vital in the business.

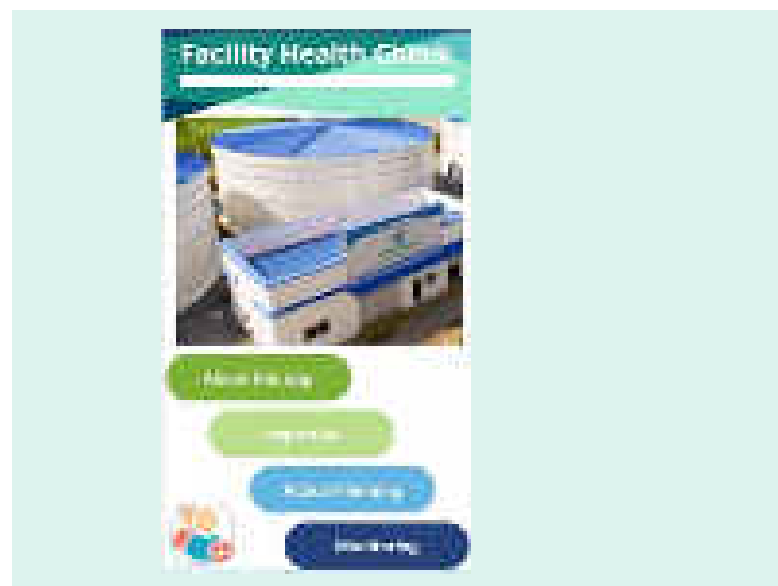
With the more than 150 deep well facilities operated by Laguna Water, adding on the sewage and septage treatment facility, laboratory, and offices, numerous compliance requirements are mandated for each of the facilities from more than 10 government agencies and regulators. Constant communication and relational visit are done to keep them updated, informed, and reminded of our presence and intention to comply with the regulations.

Laguna Water is proactive in securing all permits, certificates, and clearances from government agencies and is committed to complying with the set conditions. Reports such as Compliance Monitoring Reports, Self-Monitoring Reports, Monthly/Quarterly/Annual Reports are timely submitted to the regulators. A compliance database which is the repository of all compliance documents, together with a master list and dashboard, was developed to easily monitor the Company's compliance level. Pollution Control Officers were appointed, trained, and accredited to monitor and ensure our facilities' compliance with all environmental regulations.



There is also an appointed Compliance Kasangga per department who champions any compliance deliverable of his/her department. Compliance Caravans were also conducted to educate all employees on their role in compliance.

An enterprise-wide audit is done at least annually to identify any compliance risk. In 2019, Laguna Water also adopted Manila Water's best practice, the Facility Health Check, to assess the facilities' compliance to Quality, Environmental, Safety, Health, and Emergency Preparedness and Response Standards. During Facility Health Check, all the facilities are visited by the compliance team twice a year to assess if there is any hazard that may cause an accident or any condition which may violate any government regulation or company standard.



*For easier report generation, the Facility Health Check application was developed in 2020.*

An app was developed in 2020 so that reports will be automatically generated and shared with respective facility owners who create action plans to address any findings. The compliance team also monitors the resolution of all the findings to ensure that the action plans are implemented on or before the target timeline. The team also plans to deepen the knowledge and expertise in

compliance of all facility owners so that they can conduct Facility Health Check in their own facilities and immediately address the findings.

Laguna Water will continue to strive to achieve a high level of compliance in its operations by aligning with the existing government regulations.

## PROTECTING BIODIVERSITY

GRI 304, 304-3

While protecting water sources, Laguna Water also answers to the call of nurturing biodiversity, made possible through its programs and activities.

By the end of 2019, the Company was able to plant at least 3,900 seedlings through its Pasibol program, a tree-planting initiative conducted at least thrice a year pursued to encourage employees to do their share in preserving the ecosystem.

In 2019, the talents of Laguna Water also participated in the coastal clean-up at Brgy. Aplaya, Santa Rosa City, Laguna. Organized by the City Environment and Natural Resources, the activity aims to contribute to bringing back the vibrance of Laguna Lake which is a tributary of Manila Bay.

Lakbayan sessions with key officials of the different LGUs were also conducted to create awareness about each of the Company's roles in protecting the environment and its connection to water security.



Aside from its tree-planting program, Laguna Water also supports the Philippine Arbor Day every June 25 that was institutionalized in 2004 through Proclamation No. 643.



Laguna Water volunteers participated in the coastal clean-up at Brgy. Aplaya, Sta. Rosa City.

## CREATING SHARED VALUE

GRI 102-12, 203, 203-1, 413, 413-1

Laguna Water adheres to its service agreement with its customers, therefore creating a shared value that allows the business to thrive while customers enjoy top-notch services. Over the years, the Company maintains its 24/7 water availability with minimal unannounced water interruptions even during crises. At the same time, the required water pressure at 10 psi is upheld and even exceeded, with regular pressure monitoring. Primary lines are also closely monitored online to ensure that these are operational.

The Company also created the Operations Communication Center (OCC), a tool that is used to provide important details that can be used to help develop future water forecasts and improve decision making. The OCC is used to convey information, analyze an issue or problem, and provide a recommended course of action vital to ensure reliable service. Through OCC, information related to all activities is conveyed to all concerned teams whether if it is pipe replacement or leak repair. It also keeps all records especially the operational stability of the facility. Among the information monitored and communicated by the OCC are power

fluctuations, refilling of elevated water tanks, tripping of control, pressure monitoring, planned and unplanned activities such as repairs of pipes or upgrades. Through the OCC, Laguna Water is able to ensure operational efficiency and improve service reliability for its customers.



*Laguna Water continues its commitment to provide quality service 24/7 even during the pandemic. Emergency repairs and maintenance are also managed swiftly for customers' convenience.*

## SUPPORTING LOCAL COMMUNITIES

GRI 203, 203-1, 413, 413-1

While Laguna Water ensures service reliability, it also makes sure that it is able to support the sustainable development of the local communities it serves by sponsoring projects that provide access to water and proper hygiene. The Company also advocates quality education by adopting projects that support public schoolchildren.

In 2019, together with MWF and Henkel Asia Pacific Center, the Company provided drinking fountains and handwashing facilities to Don Jose National High School. Likewise, the talents of Laguna Water introduced to the schoolchildren and faculty of the school the concept of wastewater management, highlighting the need and importance of septic tank cleaning. Through this project, the school is now closer to better hygiene and sanitation which will lead to the eventual prevention and elimination of water-related diseases.

Three other schools in Laguna received handwashing facilities and hygiene kits from Laguna Water and MWF, including Jacobo Z. Gonzales Memorial National High School and Southville 5A Integrated National High School both in Binãñ, and Sampaloc Elementary School in Pagsanjan.



*Laguna Water with MWF and its partners brought students and teachers of Don Jose National High School closer to better health through the construction of drinking fountains and handwashing facilities.*



To also help public schools provide a conducive learning environment for their pupils, the Company also conducted several sessions of its Linis Eskwela program in 2019 benefitting nine schools in Laguna. As part of the Department of Education’s Brigada Eskwela program, talents from the Company participated in a series of volunteer activities where they helped in the repainting and refurbishing of school facilities. Aside from the volunteer work, cleaning materials were also donated to the schools.

Aside from assisting the schools through the provision of facilities and maintenance, the Company also conducts a yearly gift-giving activity through its Daloy ng Saya program. In 2019, four schools in Laguna were visited where 600 pupils were given school supplies.

To further support communities, the Company also joined hands with MWF and Water.org to bring water to waterless communities in Laguna and even across its boundaries. In 2019, the Company was able to co-sponsor the water connection of 80 households residing in Brgy. Pulong Santa Cruz in Santa Rosa City, Laguna.

Another Ahon Tubig initiative in 2020 helped 136 residents of Brgy. Mamatid and Brgy. Niugan, both in Cabuyao, Laguna, gain access to reliable and affordable piped water connections.

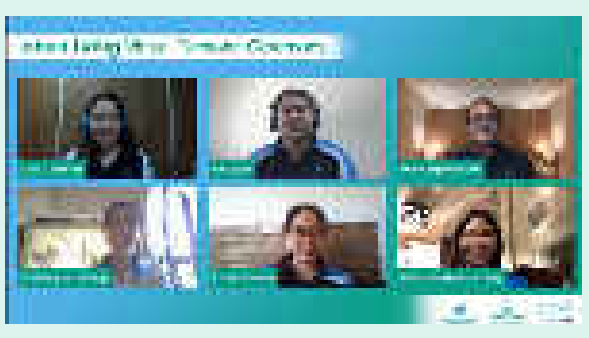
Laguna Water also brought aid to 470 households in Sitio Matala, Brgy. Cahil in Calaca, Batangas when it experienced water shortage in 2020. The Company along with MWF and GMA Kapuso Foundation delivered a 10-cubic meter water tanker to help relieve the community’s need for potable water while long-term solutions are being prepared by their respective LGU.



Laguna Water sent volunteers to different schools to support Brigada Eskwela. Cleaning supplies and paints were also donated to the schools.



Ceremonial turnover of certificates with Brgy. Pulong Santa Cruz residents



An online turnover ceremony was held as a culmination of the Ahon Tubig project for Barangays Mamatid and Niugan.

# REAPING THE REWARDS OF HARDWORK

Laguna Water has developed programs and lead projects that improve customer experience. In the past two years, these efforts were noticed, reaping awards that serve as testaments to its continuous pursuit and realization of its purpose, vision, and mission.



**2019 GOLD ANVIL AWARD**  
  
TSEK NG BAYAN ADVOCACY CAMPAIGN: Reflecting Good Health, Sustainable Environment, and Economic Growth and Development

**2020 SILVER ANVIL AWARDS**  
  
Lakbayan: Understanding the Water and Used Water Trail  
  
Sewage and Septage Treatment Process Video

# GRI CONTENT INDEX

GRI 102-55

Indicator and Disclosure	Description	Content/ Page number
102-1	Name of Organization	Laguna AAWater Corporation (Laguna Water)
102-2	Activities, brands, products, and services	6
102-3	Location of Headquarters	Back Cover
102-4	Location of operations	6
102-5	Ownership and legal form	6
102-6	Markets served	6
102-7	Scale of the organization	14-15, 18-19
102-8	Information on employees and other workers	14-15, 18-19, 26-29
102-9	Supply chain	22-23  The Company partners with vendors and suppliers accredited by the Manila Water Philippine Ventures. The details of accredited vendors per classification are as follows: <ul style="list-style-type: none"> <li>+ 53 Materials Suppliers</li> <li>+ 86 General Contractors</li> <li>+ 30 Service Providers</li> <li>+ 10 Engineering Consultancy</li> <li>+ 3 Technical Materials</li> <li>+ 2 IT &amp; Finance</li> <li>+ 1 Specialty Works</li> </ul>
102-10	Significant changes to the organization and its supply chain	22-23
102-11	Procurement Principle or approach	38-45
102-12	External initiatives	Laguna Water adheres to all Philippine laws, rules, and regulations.  See also pages 44-45.
102-13	Membership of associations	6  Laguna Water is affiliated with the Cagayan River Protection Advocates (CARPA) and Save Slang Santa Rosa Watershed Management Council (SSRC).
<b>Strategy</b>		
102-14	Statement from senior decision maker	3-5
102-15	Key impacts, risks, and opportunities	Data centers will undergo capacity development to standardize data gathering.
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards, and norms of behavior	6-7

# GRI CONTENT INDEX

GRI 102-55

Indicator and Disclosure	Description	Content/ Page Number
<b>Governance</b>		
102-18	Governance structure	6-15
102-19	Delegating authority	16-4
102-23	Chair of the highest governance body	16-9
102-24	Nominating and selecting the highest governance body	16-9
102-25	Conflicts of interest	<p>The Employee Code of Conduct and Discipline prohibits conflict of interest situations involving all directors, officers, and employees with the following guidelines:</p> <p>1. A conflict of interest arises when a Director, or an Officer or employee appears to have a direct or indirect personal or financial interest in any transaction which may deter or influence him from acting in the best interest of the Corporation. It is not required that there be an actual conflict, it is only required that there could be perceived or seem to be a conflict by an impartial observer.</p> <p>2. When an actual or apparent conflict of interest arises, a Director must inform the Board, and the Officer or employee must immediately inform his immediate supervisor or the Compliance Officer. Such Director, Officer or employee should not participate in, or in any way seek to influence, any negotiations or decisions pertaining to the transaction, which is the subject of interest.</p> <p>3. The Director, Officer or employee must also file a Conflict of Interest Report with the Board in case of a director or to the immediate supervisor and the Office of the Compliance Officer in case of an officer or employee. The report shall indicate a brief description of the conflict, the date when the Board, or immediate supervisor and the Office of the Compliance Officer were notified, and the action taken on the conflict.</p> <p>4. No Officer or employee may have financial interest in a privately owned enterprise, which directly or indirectly deals or transacts business with the Corporation.</p> <p>5. A Director shall not use his position to make profit or to acquire benefit or advantage for himself and/or his related interests.</p> <p>6. No Director, Officer or employee may use his position in the Corporation for personal gain or advantage or to promote any action that may run counter to the Corporation's ethical standards.</p> <p>7. No Director, Officer or employee shall use the Corporation's facilities, materials, intellectual properties, vehicles, equipment and supplies for his or another party's personal purpose.<sup>17</sup></p>

# GRI CONTENT INDEX

GRI 102-55

Indicator and Disclosure	Description	Content/ Page Number
102-26	Role of highest governance body in setting purpose, values, and strategy	8-9
102-27	Collective knowledge of highest governance body	Data owners will undergo capacity development to standardize data gathering.
102-28	Evaluating the highest governance body's performance	Data owners will undergo capacity development to standardize data gathering.
102-29	Identifying and managing economic, environmental, and social impacts	Data owners will undergo capacity development to standardize data gathering.
102-30	Effectiveness of risk management processes	Data owners will undergo capacity development to standardize data gathering.
102-31	Review of economic, environmental, and social topics	Data owners will undergo capacity development to standardize data gathering.
102-32	Highest governance body's role in sustainability reporting	Data owners will undergo capacity development to standardize data gathering.
102-33	Communicating critical concerns	Data owners will undergo capacity development to standardize data gathering.
102-34	Nature and role number of critical concerns	Data owners will undergo capacity development to standardize data gathering.
102-36	Process for determining remuneration	Data owners will undergo capacity development to standardize data gathering.
102-37	Stakeholders' involvement in remuneration	Data owners will undergo capacity development to standardize data gathering.
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	22-23
102-41	Collective bargaining agreements	There is no existing collective bargaining agreement.
102-42	Identifying and selecting stakeholders	22-23
102-43	Approach to stakeholder engagement	22-23
102-44	Key topics and concerns raised	22-23

# GRI CONTENT INDEX

GRI 102-55

Indicator and Disclosure	Description	Content/ Page Number
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	Laguna AAAWater Corporation (Laguna Water)
102-46	Defining report content and topic boundaries	Specific reporting boundaries are stated in the GRI Index.
102-47	List of material topics	21
102-48	Restatements of information	None
102-49	Changes in reporting	No significant changes
102-50	Reporting period	This report covers the period of January 1, 2019 to December 31, 2020.
102-51	Publication date of most recent report	September 2019
102-52	Reporting cycle	Biennial
102-53	Contact point for questions regarding the report	Sol Timesila N. Dimasuga Regulatory and External Affairs Head E-mail address: sol.dimasuga@lagunawater.ph
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core Option.
102-55	GRI content index	49 to 54.
102-56	External assurance	None

# GRI CONTENT INDEX

GRI 102-55

## SPECIFIC DISCLOSURES

Economic Performance		
Indicator and Disclosure	Description	Content/ Page Number
GRI 201: ECONOMIC PERFORMANCE	Management Approach	4-5, 20, 30-31
201-1	Financial assistance received from government	Laguna Water has not received any financial assistance or subsidy from the government.
GRI 205: INDIRECT ECONOMIC IMPACTS	Management Approach	4-5, 20, 31-35, 45-47
205-1	Infrastructure Investments and services supported	14-15, 18-19, 32-35, 45-47
GRI 205: ANTI CORRUPTION		
205-2	Communications and training about anti-corruption policies and procedures.	Laguna Water adheres to Manila Water Company's Anti-Corruption policy.
Regulatory	Management Approach	22-23, 44-45

Environmental		
Indicator and Disclosure	Description	Content/ Page Number
GRI 303: WATER	Management Approach	4-5, 20, 38
303-1: 303-1	Water Withdrawal by Source	38
GRI 304: BIODIVERSITY	Management Approach	45
304-3	Habitats protected or restored	14-15, 18-19, 46
GRI 306: EFFLUENTS AND WASTES	Management Approach	4-5, 38, 39-41
306-1	Water Discharge Quality and Destination	18-19, 39-43
306-2	Wastes by Type and Disposal Method	39-43
306-3	Significant Spills	There is no significant spill associated with material/chemicals/hazardous waste storage and transport, and septic tank desludging activities.
GRI 307: Environment Compliance	Management Approach	44-45
307-1	Non-compliance with environmental laws and regulations.	Laguna Water has not identified any non-compliance with environmental laws and/or regulations.
Natural Disasters	Management Approach	4-5, 32-33

## SPECIFIC DISCLOSURES

Social		
Indicator and Disclosure	Description	Content/ Page Number
GRI 401: EMPLOYMENT	Management Approach	26
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	26-27
Employee Health	Management Approach	26-29
Employee Engagement	Management Approach	27-29
Security Practices	Management Approach	26-27, 29
2018: 408: OCCUPATIONAL HEALTH AND SAFETY	Management Approach	29
2018: 408-1	Occupational health and safety management system	26-27, 29
2018: 408-2	Hazard identification, risk assessment, and incident investigation	29
2018: 408-3	Occupational health services	26-27, 29
2018: 408-4	Worker participation, consultation, and communication on occupational health and safety	29
2018: 408-5	Worker training on occupational health and safety	29
2018: 408-9	Work-related injuries	No recorded incident
2018: 408-10	Work-related ill health	No recorded incident
GRI 413: LOCAL COMMUNITIES	Management Approach	4-5, 20, 32, 34-35, 46-47
413-1	Operations with local community engagement, impact assessments, and development programs	14-15, 18-19, 23, 32-35, 46-47
	Business Continuity	26



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### SPECIFIC DISCLOSURES

SASB Accounting Metrics		Content/Page Number
<b>Effluent Quality Management</b>		
IF-WU-1416a.2	Discussion of strategies to manage effluents of emerging concern	39-43
<b>Water Access and Affordability</b>		
IF-WU-2416a.1	Average retail water rate for (1) residential, (2) commercial, and (3) industrial customers	Not applicable  Avg. water retail rate is set by the regulatory agency to which each business unit of Laguna Water reports to
IF-WU-2416a.4	Discussion of impact of external factors on customer affordability of water, including the economic conditions of the service territory	30-31
<b>Water Supply Resilience</b>		
IF-WU-440a.3	Discussion of strategies to manage risks associated with the quality and availability of water resources	38

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