

CYBER BAY CORPORATION

2023 Sustainability Report

ABOUT THIS REPORT

The 2023 Sustainability Report (Report) measures the impact of the activities of Cyber Bay Corporation (Company) on the environment, economy, and society (EES). It allows the Corporation to capture meaningful data as a guide in identifying areas for improvement in terms of sustainability. Moreover, this Report shall also serve as an avenue to communicate to the Company's stakeholders its established goals on sustainable development and corporate social responsibility (CSR) actions and results.

This Report covers the year ending 31 December 2023 and was prepared in accordance with the Sustainability Reporting Guidelines for Publicly Listed Companies prescribed under Securities and Exchange Commission (SEC) Memorandum Circular No. 4 Series of 2019.

I. CONTEXTUAL INFORMATION

Cyber Bay Corporation (the “Company”), incorporated under the laws of the Philippines on 06 July 1989, was organized to undertake real estate development (except real estate subdivision) and reclamation. The Company has changed its name from First Lepanto Corporation to Guoco Land (Philippines), Inc. in 1994, to Centennial City Inc. in 1996, and eventually to Cyber Bay Corporation in 2000.

COMPANY DETAILS	
Name of Organization	Cyber Bay Corporation
Location of Headquarters	Suite 2802 Discovery Center, 25 ADB Avenue, Ortigas Center, Pasig City
Location of Operations	Suite 2802 Discovery Center, 25 ADB Avenue, Ortigas Center, Pasig City
Report Boundary	This report covers the Company and does not include any of its subsidiaries.
Business Model	Holding Company
Reporting Period	Year ending 31 December 2023
Highest Ranking Person Responsible for this Report	Raul Tito Maxelmo A. Estrella President

In 1996, the Company, Central Bay Reclamation and Development Corporation (the “Subsidiary”) and certain shareholders of the Subsidiary entered into a Memorandum of Agreement which involved the restructuring of the Company and the consolidation of certain businesses and assets of the Company and the Subsidiary. The restructuring of the Company entailed the transfer to Prime Orion Philippines, Inc. (formerly Guoco Holdings Philippines, Inc.) of the Company’s investments in the following corporations: Tutuban Properties Inc., Guoco Property Development Inc., Manila Southcoast Development Corporation, Mandaue Resources and Realty Corporation, Luck Hock Venture Holdings, Inc., First Lepanto Ceramic Wares Inc. and First Lepanto Realty Inc. and the settlement of all intercompany liabilities relating to such corporations.

Upon completion of the business consolidation, the Company assumed full ownership of the Subsidiary, including its Joint Venture Agreement (JVA) with the Public Estates Authority (now known as the Philippine Reclamation Authority [PRA]) to reclaim 750 hectares of land along Manila Bay (the “Project”) as its new property core holding. With the Project, the Company is afforded a unique flagship waterfront development; at 750 hectares, it was supposed to be a substantial fully integrated township that can spearhead the redevelopment of the Manila Bay in tandem with the government’s progressive Bay City Development.

On 9 July 2002, after filing for motion for reconsideration and motion for re-deliberation, the Supreme Court ruled that the JVA is null and void ab initio on the ground that the reclaimed parcels of land are part of the public domain and cannot be disposed by the PRA to private corporations. This declaration, however, does not preclude the recovery from PRA the costs and expenses incurred in the implementation of the JVA prior its nullification.

PRA and the Subsidiary entered into a Compromise agreement where PRA shall cede to the Subsidiary parcels of land with value equal to the subsidiary’s validated claim of PhP1.027 Billion. In exchange, the Subsidiary shall waive all other claims which is the subject of the pending petition filed with the COA and any other claims arising from or in connection with the JVA. On 23 May 2019, the COA declared the Compromise Agreement as invalid and partially granted the Subsidiary’s money claims against the PRA amounting to PhP714.9 Million. COA denied the Subsidiary’s motion for reconsideration on 21 January 2020.

On 19 August 2020, the Supreme Court En Banc required COA and PRA to comment to the Petition for Certiorari.

In its Resolution dated 08 September 2020, the Supreme Court directed the Subsidiary to file its Reply to COA's comment, which it filed on 23 April 2021.

PRA subsequently filed a Motion to Admit with attached Manifestation and Comment dated 30 September 2021. In its Motion, it prayed that the Supreme Court admit PRA's Comment which was belatedly filed.

The PRA substantially adopted the findings of the COA as its Comment on the Subsidiary's Petition for Certiorari. Specifically, while it confirmed that the PRA-validated claim amounted to PhP 1,004,439,048.45, it echoed the COA's findings that only the amount of PhP 714,937,790.29 may be allowed as supported by original documents or evidence.

In a Decision dated 05 April 2022, the Supreme Court declared the Compromise Agreement between the Subsidiary and the Philippine Reclamation Authority void ab initio for being contrary to the 1987 Constitution, Executive Order No. 292, Administrative Code of 1987, and the Government Auditing Code of the Philippines. Further, the Supreme Court disallowed the Subsidiary's money claims except for the amount of Seven Hundred Fourteen Million Nine Hundred Thirty-Seven Thousand Seven Hundred Ninety and 29/100 Pesos (PhP714,937,790.29) representing advance payment for the reclamation and project development. The Subsidiary then filed a Motion for Reconsideration dated 15 December 2022.

In a Resolution dated 07 February 2023, the Supreme Court denied with finality the Subsidiary's Motion for Reconsideration dated 15 December 2022, and affirmed the Commission on Audit's (COA) Decision dated 23 May 2019 in COA CP Case No. 2010-350. In the Notice, it stated that Entry of Judgment will be made immediately.

On March 20, 2023, the Supreme Court issued the Entry of Judgment.

II. MATERIALITY PROCESS

The Company identified the material sustainability topics presented in this Report through its internal risk assessment and the continuous dialogue with its stakeholders. In addition, we also resorted to available standard-setters on materiality.

The Board of Directors, which has an extensive knowledge and understanding of the market, and oversees the risk management of the Company, determines the several issues relevant to the sustainable development of the Company. Our continuous dialogue with our stakeholders likewise allowed us to gather insight on the material topics. We consider our investors, shareholders, officers, political and legal entities, and legal consultants as our stakeholders. The exchange highlights our commitment to transparency, and in return, we receive invaluable insights and data that guide us in determining crucial areas for the Company's sustainable development.

We also sought guidance from various standard-setters on materiality, such as reporting requirements, materiality definitions by sustainability rating agencies, multilateral discussions such as the United Nations Sustainable Development Goals, relevant academic research, and regulatory developments.

III. MATERIAL TOPIC: ***Economic***

A. Direct Economic Value Generated and Distributed

Disclosure	Amount (in PHP)
<i>Direct economic value generated (revenue)</i>	1,190.00
<i>Direct economic value distributed:</i>	2,425,346.00
<i>a. Operating costs</i>	2,399,139.00
<i>b. Employee wages and benefits</i>	0.00
<i>c. Payments to suppliers, other operating costs</i>	10,250.00
<i>d. Dividends given to stockholders and interest payments to loan providers</i>	0.00
<i>e. Taxes given to government</i>	15,957.00
<i>f. Investments to community (e.g. donations, CSR)</i>	0.00

The Company, which was primarily created to undertake real estate development, except real estate subdivision, and reclamation, had heavily invested on the complete and entire reclamation and horizontal development of a portion of the Manila-Cavite Coastal Road and Reclamation Project (“Project”). The cessation of the Project and the non-operation of the Company, with the shareholders taking a heavy hit, effectively impeded the Company’s profitability and the viability of its continuous operations. It also affected the Company’s capacity to meet its commitments to its creditors. Nevertheless, stakeholders are regularly informed of the Company’s status by adhering to transparent reporting practices. The Company publishes reports as required under the applicable laws, and regularly holds Annual Stockholders’ Meeting to keep the shareholders, as well as the general investing public, abreast with the recent developments of the Company.

The Company generates and distributes direct economic value through its minimal administrative operations. Although pinned down with various legal and financial restraints, the Company conducts its activities through maximization of available resources. It contributes to the expansion the economy through its consumption of products and services available in the market. Suppliers and service providers are treated fairly through open communication for their concerns and engaging them through forums or activities. It conforms with local and national tax laws and regulations through the timely and accurate payment of all applicable taxes.

The ability of the Company to continue as a going concern entity will depend on the recoverability of the Subsidiary’s claims for reimbursement from the PRA and on the success of any business that the Company and its Subsidiary may undertake in the future. In anticipation for its resumption of operations, the Board has put in place proper and sufficient measures in determining possible investments with manageable risks and exposures to the Company.

B. Procurement Practices

Proportion of Spending on local suppliers		
Disclosure	Quantity	Unit
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	100	%

The Company procures its supplies from local entities. From the Management’s perspective, local sourcing is advantageous for its easier access and availability of materials and services, better communication, shorter delivery lead time, and strong vendor relationship. Furthermore, the Company believes that local sourcing can support a stable local economy and maintain community relations.

Although there is no pertinent policy in the sourcing of materials and services, the Management will continue to develop and support local vendors’ capability. The Company commits to provide forecasting on future spending upon re-commencement of operations to allow local suppliers to anticipate and develop their capacity and capabilities to fulfill the Company’s needs.

C. Business Ethics

Training on Anti-Corruption Policies and Procedures	
Disclosure	Quantity
Percentage of employees to whom the organization’s anti-corruption policies and procedures have been communicated to	0
Percentage of business partners to whom the organization’s anti-corruption policies and procedures have been communicated to	0
Percentage of directors and management that have received anti-corruption training	0
Percentage of employees that have received anti-corruption training	0

The Board and the Management of the Company is committed to principles of transparency, accountability, fairness and integrity. Under the Company’s Manual for Corporate Governance, the Board is bound to establish its anti-corruption measures through a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.

While the Company has not formally implemented its anti-corruption measures due to its non-operation and lack of employees, it commits to implement these policies and programs once the Company’s operations commence. Further, it shall conduct a continuous risk assessment to identify significant risks related to corruption.

Incidents of Corruption	
Disclosure	Quantity
Number of incidents in which directors were removed or disciplined for corruption	0
Number of incidents in which employees were dismissed or disciplined for corruption	0
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0

There were no identified risks of any corruption-related events in the limited administrative activities which the Company are engaged in. Since the Company expects and insists that its business partners, present and future, consistently observe applicable laws and regulations with integrity and honesty, standard provisions concerning compliance with applicable laws against corrupt practices are incorporated in each contract and transaction that the Company engages in.

To establish and implement the Company's policy that all related party transactions (RPT) must be conducted on an arm's length basis and under fair terms, on 02 March 2020, the Board convened and adopted the Company's Material Related Party Transaction Policy (MRPT Policy).

Under the MRPT Policy, RPT refers to a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. It should be interpreted broadly to include not only transactions that are entered into with related parties, but also outstanding transactions that are entered into with an unrelated party that subsequently becomes a related party. A RPT is considered as material if any related party transaction/s, either individually, or in aggregate over a twelve (12)-month period with the same related party, amounting to ten percent (10%) or higher of a company's total assets based on its latest audited financial statements.

The Board has the overall responsibility in ensuring that RPTs are handled in a sound and prudent manner, with integrity, and in effective compliance with applicable laws, rules, and regulations at all times, to protect the interests of the Company, its subsidiaries, its shareholders and other stakeholders. The objectives of this policy are to mitigate or avoid conflict of interest and abusive transactions between Related Parties (as defined below), and ensure that every RPT is reviewed, approved, and disclosed in compliance with the requirements of the regulatory bodies such as the SEC.

IV. MATERIAL TOPIC: *Environmental Issue*

A. Resource Management

Energy consumption within the organization		
Disclosure	Quantity	Unit
Energy consumption (renewable sources)	0.00	GJ
Energy consumption (gasoline)	0.00	GJ
Energy consumption (LPG)	0.00	GJ
Energy consumption (diesel)	0.00	GJ
Energy consumption (electricity)	0.00	kWh

Reduction of energy consumption		
Disclosure	Quantity	Unit
Energy consumption (renewable sources)	0.00	GJ
Energy consumption (gasoline)	0.00	GJ
Energy consumption (LPG)	0.00	GJ
Energy consumption (diesel)	0.00	GJ
Energy consumption (electricity)	0.00	kWh

The Company acknowledges that operating a business creates impact to the environment, and contributes to air pollution, water shortage, and climate change. However, it unites with the global community's call for cleaner and greener environment and reduction of reliance on fossil fuel-based energy.

In anticipation for its re-commencement of operations, the Company deems it necessary to develop and implement environmental governance policies, as well as environmental compliance in its compliance risk management structure. It will look into adopting energy saving measures and shifting to greener alternatives. Further, considering that Company’s environmental impact is highly dependent on the activities and businesses of companies where the Company will invest in the future, the Company binds to cooperate with them to implement environmental policies to mitigate the impact created by their activities.

Although the Company is currently non-operating, the indirect energy consumption may be attributed to the Company through its suppliers, service providers and legal consultants. The Company collaborates with these entities in resorting to ways that will drive down, to the lowest possible level, the consumption of environmental resources caused by the services rendered to the Company. Among the notable measures implemented are the paperless transaction policy to minimize use of paper and utilizing available communication technology to reduce carbon footprint related to travel.

Water consumption within the organization	
Disclosure	Quantity (in cubic meters)
Water withdrawal	0.00
Water consumption	0.00
Water recycled and reused	0.00

Similar to its energy consumption, the Company’s indirect water consumption relates to those consumed by third party entities which the Company deals with. The Company will also adopt water-saving measures once it resumes its operations.

B. Environmental Compliance

Environmental Compliance	
Disclosure	Quantity (in PhP)
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0.00
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0.00
No. of cases resolved through dispute resolution mechanism	0.00

The Company diligently updates its necessary environmental permits. The Company recorded no fines or non-monetary sanctions for non-compliance with environmental laws and regulations. Upon its resumption of operations, it will, however, implement environmental protection programs and integrate an environmental compliance risk in its risk management function.

V. MATERIAL TOPIC: Social Issues

A. Employee Management

Employee Data	
Disclosure	Quantity
Total number of employees	0
a. Number of female employees	0
b. Number of male employees	0
Attrition rate	0
Ratio of lowest paid employee against minimum wage	0

Since the Company is non-operating, it retains no employees in its own payroll. It has outsourced its administrative, reportorial, and compliance requirements to GSE Management Services, Inc. (GSE MSI). However, the Company ensures that its third-party service provider complies with the labor laws, rules and regulations, specifically on the safe and healthy working conditions, labor standards, and social security and welfare benefits.

The Company likewise assures that its third-party service provider does not infringe on human rights of its employees and does not resort to any child labor or forced labor. All the contracts of the Company contain representations and warranties that parties are, and shall continuously comply, for the entire duration of the contract, with all applicable laws, rules, and regulations. Violation of these representations and warranties will result in the immediate termination of the contract. Moreover, the Company has established its accreditation process of contractors, suppliers, and service providers that requires them to submit documentary proof of good standing and compliance with applicable laws.

Once the operations of the Company resumes and it starts to employ its own workforce, it shall establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company's goals and in its governance. Moreover, the Company shall promote diversity and inclusion in the workplace by maintaining a diverse set of employees of different profile, gender and demographics but equipped with necessary skills and expertise.

B. Data security

Data Security	
Disclosure	Quantity
Number of data breaches, including leaks, thefts and losses of data	0

As the Company migrates to paperless transactions and takes advantage of available technology in communication to exponentially increase effectiveness and drive down administrative costs, this strategy may potentially present high-impact risk to both the Company and its stakeholders in terms of data security and privacy. Although no data breaches were recorded in 2023, cyber security remains on the top of the Company's agenda. Significant risks in technology identified by the Company includes data management risk, cyber security risk, and third-party risk.

The Company may be exposed to data security risks, such as data theft and security breaches. Heavy reliance on technology may lead to financial fraud, accounting and compliance issues. The Company is also exposed to third-party risk as it does business with other companies, financial institutions, government offices and other stakeholders. Pursuant to the provisions of the Data Privacy Act of 2012 (RA 10173) and other relevant policies issued by the National Privacy Commission, the Company has appointed Atty. Cheryl S. Saldaña-de Leon as its Data Privacy Officer. The Company has likewise adopted its own Data Privacy Manual.

To protect privacy, we limit collection of personal data, and only do so by lawful means. We are transparent about how data is gathered, used, and secured. We do not disclose or use personal customer information for any purposes other than those agreed upon, and we communicate any changes in data protection policies or measures to customers directly.

The Company intends to improve its data security systems through giving attention and treatment to every internet and external threats, integrating IT risks into its risk management structure, conducting regular and independent internal audit, assessing IT capabilities of third parties, and development of a cyber incident response plan.

VI. UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In September 2015, the United Nations General Assembly adopted the 2030 Agenda for Sustainable Development that includes 17 Sustainable Development Goals (SDGs). The Company has analyzed the risks and opportunities to our business that may arise from the 17 UN SDGs, as follows:

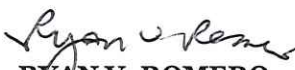
Business Contributions	Societal Value/Contribution to UN SDGs	Potential Negative Impact or Contribution	Management Approach to Negative Impact
Stimulating the economy	1: No Poverty 8: Decent Work and Economic Growth	Continuous operations of the Company entails continuous consumption of resources	Regulation and maximization of use of resources; Resort to cleaner and healthier alternatives
Implementing energy and water saving measures	11: Sustainable Cities and Communities 12: Responsible Consumption and Production	Costly upgrade to greener technologies	Integrate energy and water conservation into business planning; Forecasting and proper allocation of resources
Promotion of diversity and inclusion in the workplace	8: Decent Work and Economic Growth 10: Reduced Inequality	Higher recruitment process costs	Forecasting and proper allocation of resources
Promoting data privacy and security	9: Industry, Innovation and Infrastructure	Increase cybersecurity may affect ease of doing business	Set notification and approval threshold for IT risk situations

DISCLOSURE	REFERENCE AND OMISSION
Contextual information	Pg. 2
Materiality process	Pg. 3
ECONOMIC	
<i>Direct economic value generated and Distributed</i>	Pg. 4
<i>Climate-related risks and opportunities</i>	As a non-operating holding corporation, the Company has no climate-related risks and opportunities.
<i>Portion of spending on local suppliers</i>	Pg. 5
<i>Training on anti-corruption policies and procedures</i>	Pg. 5
<i>Incidents of corruption</i>	Pg. 5
ENVIRONMENTAL	
<i>Energy consumption within the organization</i>	Pg. 6
<i>Reduction of energy consumption</i>	Pg. 6
<i>Water consumption within the organization</i>	Pg. 7
<i>Materials used by the organization</i>	As a non-operating holding corporation, the Company did not use or produce any materials to manufacture products or services.
<i>Ecosystems and biodiversity</i>	The Company does not own, lease, manage or operate in protected areas or areas of high biodiversity value. There are no species or habitats affected by the Company's limited business operation.
GHG	As a non-operating holding corporation, the Company does not directly or indirectly produce GHG emissions or emissions of ozone-depleting substances (ODS).
<i>Air pollutants</i>	As a non-operating holding corporation, the Company does not directly or indirectly produce significant air pollutants.
<i>Solid Waste</i>	As a non-operating holding corporation, the Company does not produce significant solid waste.
<i>Hazardous Waste</i>	As a non-operating holding corporation, the Company does not produce or generate hazardous waste.
<i>Effluents</i>	As a non-operating holding corporation, the Company does not produce significant effluents.
<i>Non-compliance with environmental regulations</i>	Pg. 7
SOCIAL	
<i>Employee data</i>	Pg. 7
<i>Employee benefits</i>	The Company has no employees.
<i>Employee training and development</i>	The Company has no employees.

<i>Labor management relations</i>	The Company has no employees.
<i>Diversity and equal opportunity</i>	Pg. 7
<i>Occupational health and safety</i>	The Company has no operations and no employees.
<i>Labor laws and human rights</i>	The Company has no employees.
<i>Supply chain management</i>	Topic is not material as Company is currently not operating and the value creation credited to its suppliers is minimal
<i>Significant impacts on local communities</i>	Topic is not material as Company does not have business operations involving local communities.
<i>Customer satisfaction</i>	Topic is not material due to the nature of Company's business and non-operation
<i>Health and safety</i>	Topic is not material as Company does not have products or render services that affect the health and safety of the customers or the public in general.
<i>Marketing and labelling</i>	Topic is not material as Company's operations do not involve marketing and labelling
<i>Customer privacy</i>	Topic is not material as Company has no significant customers whose data is processed by the Company.
<i>Data security</i>	Pg. 8
UN SUSTAINABLE DEVELOPMENT GOALS	
<i>Product or service contribution to UN SDGs</i>	Pg. 9

Pursuant to the requirement of the Securities and Exchange Commission Memorandum Circular No. 4, Series of 2019, this Sustainability Report is signed on behalf of the registrant by the undersigned thereunto duly authorized, in the City of Pasig on the 25th day of April 2024.



RAUL TITO MAXELMO A. ESTRELLA
President


RYAN V. ROMERO
Corporate Secretary and Compliance Officer

SUBSCRIBED AND SWORN to before me this 25th day of April 2024, affiants exhibiting to me the following:

Name	CTC/ Passport No. / SSS No. Date and Place of Issuance	Competent Evidence of Identity
Raul Tito Maxelmo A. Estrella	CTC No. 10969293 issued on 06 January 2024/Pasig	TIN 150-130-441
Ryan V. Romero	CTC No. 10969602 issued on 06 January 2024/Pasig	TIN 218-165-895

Doc. No. 60 ;
 Page No. 13 ;
 Book No. 1 ;
 Series of 2024.


ANNE DENISE C. MUÑOZ
 Notary Public for the City of Pasig and Municipality of Pateros
 Commission until 31 December 2025
 2801 Discovery Center 25 ADB Ave., Ortigas Center Pasig City
 APPT. No. 158 (2024-2025)-Roll No. 88638
 PTR No. 1738677-01-10-2024; Pasig City
 BAR No. 202490; 01-15-2024; Manila III
 MCLE Compliance N/A (Admitted to the Bar in 2023)