



2020



Bright Kindle Resources  
& Investments, Inc.

SUSTAINABILITY REPORT

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[WWW.BRIGHTKINDLE.COM](http://WWW.BRIGHTKINDLE.COM)

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It is currently actively looking for potential investments via partnerships, acquisitions, joint ventures and other opportunities, keeping in mind that all investments shall be made with a view to enhancing sustainable business practices.

## CONTEXTUAL INFORMATION

<b>Name of Organization</b>	Bright Kindle Resources and Investments, Inc. (BKR)
<b>Principal Office</b>	16th Floor BDO Towers (formerly Citibank Center), 8741 Paseo de Roxas, Makati City
<b>Report Boundary</b>	Parent Company: RYM Business Management Corporation Subsidiary: Marcventures Holdings, Inc.
<b>Business Model</b>	Holding company listed in the Philippine Stock Exchange
<b>Activity</b>	Engaged in the purchase, exchange, assignment, and hold investments and all properties
<b>Reporting Period</b>	January 1 to December 31, 2020

## **OUR MISSION**

BKR seeks to maximize shareholder value by participating in sustainable investments and by observing good corporate practices particularly through the responsible stewardship of the Company's various investments revolving around the value of integrity and transparency in all shareholder dealings.

## **OUR VISION**

BKR envisions to become a leading and trusted holding company with particular focus on building a portfolio of sustainable investments.

## **CORPORATE HISTORY**

BKR was originally called Bankard, Inc., a credit card corporation which was incorporated on 4 December 1981. Roughly fourteen (14) years from its incorporation, or on 21 March 1995, Bankard, Inc. listed its shares of stock with the Philippine Stock Exchange (PSE) and became a publicly listed company.

Prior to December 27, 2013, Bankard, Inc. is a subsidiary of Rizal Commercial Banking Corporation (RCBC or former parent company). Bankard, Inc.'s main business later on shifted to providing RCBC with marketing, distribution, technical, collection and selling assistance, and processing services in connection with the operation of RCBC's credit card business.

In 2013, RCBC sold its collective stake to investors led by RYM Business Management Corporation. With the new ownership and management, the Company changed its corporate name to Bright Kindle Resources and Investments Inc. and realigned its primary business purpose to a holding company engaged in the purchase, exchange, assignment, and holding of investments.

# SUSTAINABILITY IN Y2020

The year 2020 was marked by a global pandemic that disrupted billions of lives and greatly endangered the global economy.

In the same year, the United Nations released “Shared Responsibility, Global Solidarity: Responding to the socio-economic impacts of Covid-19”, a report that called for the immediate health response required to end the pandemic and to tackle the many social and economic dimensions of the crisis.

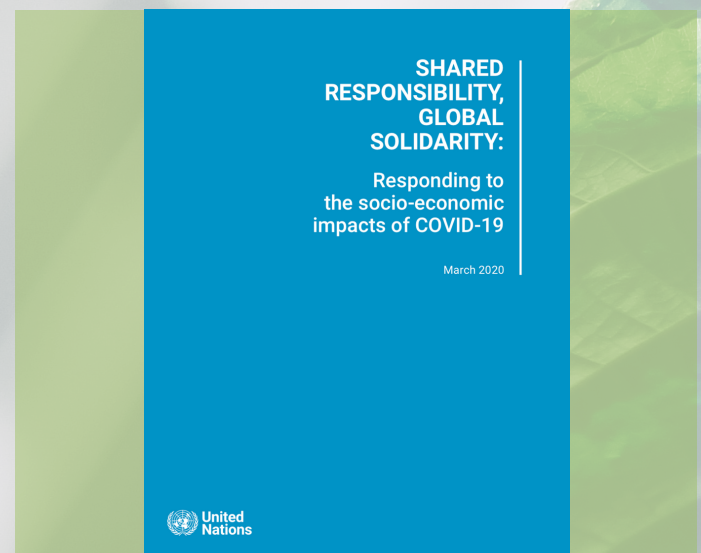
In the report, the International Monetary Fund (IMF) reassessed the growth prospect for 2020 and 2021. It described the current recession to be “as bad as or worse than in 2009.” IMF projects recovery in 2021 “only if the world succeeds in containing the virus and take the necessary economic measures.”

As the global community continues to rely on the private sector to solve the world’s most urgent problems, the United Nation’s (UN’s) response to the pandemic further emphasized the important implementation of the 17 Sustainable Development Goals in order to better respond to the crisis.

Through its subsidiary, Marcventures Holdings Inc. (MHI), Bright Kindle Resources (BKR) is focused on promoting economic growth as well as full and productive employment for all.

BKR’s primary investment in MHI, also a publicly-listed company and the parent company of Macventures Mining and Development Corporation (MMDC), with the latter operating a nickel mining tenement across the municipalities of Cantilan, Carrascal and Madrid in Surigao del Sur, provides an indicative measure of its indirect economic impact.

MHI produces its own Sustainability Report in line with its practice of good corporate governance.



## Responsible Investment Management and Corporate Governance Confirmation Statement

BKR has no substantial operations at present but it anchors its investment activities on holding investments and properties. It, however, contributes to sustainable development by supporting economic growth and observing good corporate practices anchored on the principles of accountability, transparency, honesty, integrity, fairness, and responsible stewardship of the Company's various investments.

Being a publicly-listed corporation, BKR ensures continuous adherence to corporate governance rules, regulations, and requirements imposed by the Philippine Securities and Exchange Commission (SEC) and the PSE.

## Corporate Governance Stewardship

The Board is primarily responsible for the governance of the Corporation. Corollary to setting the policies for the accomplishment of the corporate objectives, it provides an independent check on Management.

BKR, and its subsidiary MHI, maintain an independent and autonomous Board of Directors. Only a minority of the seats in the companies' respective Boards are occupied by the same officers, including independent directors (IDs), who possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board and ensure proper checks and balances.

The Company IDs include Atty. Carlos Alfonso T. Ocampo, a founder of Ocampo & Manalo Law Firm and Mr. Felix Cesar L. Zerrudo, who currently serves as President and Chief Operating Officer of Asian Appraisal Company, Inc. and President of Asian Asset Insurance Brokerage Corporation, Amalgamated Project Management Services, Inc. and Professional Funding Services Inc.

BKR's IDs are actively involved in the companies' key committees and their independence and expertise ensure added value to crafting corporate strategies and policies.

By keeping an autonomous and independent Board of Directors, BKR ensures that checks and balances are in place and that it promotes self-determination for both companies.

Moreover, BKR maintains the right mix of competent and qualified directors thereby ensuring that its primary purpose, which is that of a holding company, is best catered.

The Company exercises oversight functions over MHI in line with its commitment to good corporate governance. BKR sets the tone at the top as it substantively challenges MHI's management to develop its revenue sources beyond its primary nickel mining operations.

## Transparency

As a publicly-listed company, BKR continues to be accountable to the public and its institutional stakeholders.

BKR holds regular stockholders' meetings to keep its stockholders informed of the current condition and future standing of the Company. The Company's audited financial performance was presented to shareholders during the virtual annual stockholders' meeting held on 23 October 2020. The meeting via remote communication format aims to further safeguard everyone's safety and health due to the on-going threat of the Corona Virus 2019 (COVID-19) pandemic.

Company information is freely accessible via the Company website, which also includes, among others, the current Annual Report and Sustainability Reports.

## Current Economic Value Generated

Currently, BKR's revenue is derived mainly from interests on bank deposits. As a non-operating company, there were no recorded employees' wages and benefits, nor dividends given to stockholders and interest payments or in investments to the community for FY2020.

While BKR is a holding company and has no business activities that substantially impact society outside its investment management functions, the Company's economic activities do generate some economic value.

In Y2020, expenditures for suppliers and other related operating costs amounted to ₱6.2 Million. On the basis of the results for the year in review, the Company has also translated over ₱16 Thousand in government benefits in the form of royalties and taxes.

## Capability-building for Future Business Growth

BKR further supports the UN sustainable goal on promoting economic growth as it lays the groundwork for future investment prospects.

It is currently actively looking for potential investments via partnerships, acquisitions, joint ventures and other opportunities, keeping in mind that all investments shall be made with a view to enhancing sustainable business practices.

## Data Privacy and Security

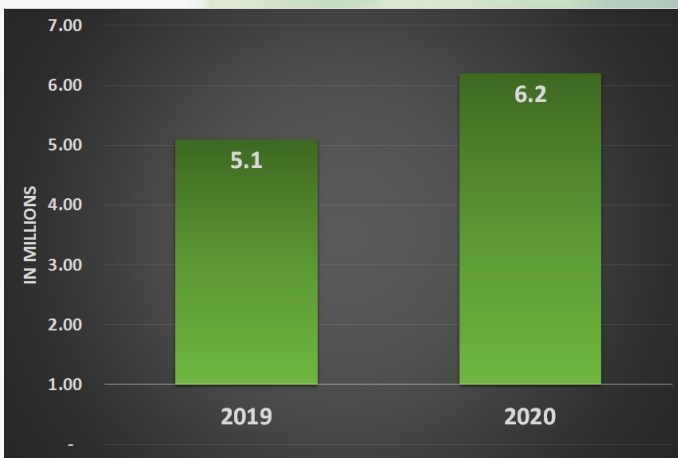
Responsible stewardship is also demonstrated as it engages in responsible data security, a vital material topic as the Company continues to search for other investment opportunities that could diversify its sources of revenue and add to shareholder value.

All assets are secure and kept confidential, with data security measures being properly enforced.

Corporate services is handled by MHI, and BKR has assigned a Data Privacy Officer in charge of implementing confidentiality measures to comply with Philippine Data Privacy Laws. MHI itself, BKR's subsidiary follows a strict policy on Protection of Confidential Information.

For Y2020, there were no reported incidents of data breaches, leaks, or losses in the Company.

The comparative table below (2019 vs. 2020) presents that despite the slowdown in global and national economy, BKR contribution remains constant or not negatively affected by the pandemic.



**EXPENDITURES FOR SUPPLIERS AND OTHER RELATED OPERATING COSTS**



**ROYALTIES AND TAXES**

BKR believes that such economic value created is indeed material even if the impact on the economy, environment, or society is not that substantial.



# Materiality Assessment and Sustainability Reporting Process

For this Sustainability Report, BKR identified the most material topics to its stakeholders based on the Global Reporting Initiative (GRI) Standards which defines “materiality” as topics and indicators that reflect the organization’s significant economic, environmental, and social impacts or that would substantively influence the assessments and decisions of stakeholders.”

BKR expects to further refine its sustainability reporting matrix going forward particularly should it increase the pace of its investment activities.

For its first Sustainability Report in Y2019, the Company, engaged the services of Atty. Teodoro Kalaw IV, who is certified both as a sustainability trainer by the Global Reporting Initiative and a sustainability report assurer by the Institute of Certified Sustainable Practitioners. Atty. Kalaw facilitated an extensive sustainability orientation and materiality assessment workshop for key officers and staff. In Y2020, the same team prepared the Sustainability Report of the Company.

As BKR is currently not operating, most of the prospective material topics in the economic, environmental and social domains discussed in SEC Memorandum Circular No. 4 s. of Y2019 are presently not significant.

As the Company further develops its sustainability reporting processes in the next two or three years, BKR hopes to collect information that will more specifically demonstrate its contributions to the Sustainable Development Goals promoted by the United Nations through the Company’s investment activities. BKR aims to perform annual assessment of topics and tracking of performance to determine impacts and risks, and other factors that may affect the Company’s ability to create long-term sustainable value.

To further demonstrate the Company’s consideration of prospective material topics highlighted in SEC Memorandum Circular No. 4 s. of 2019, BKR itself does not foresee being substantially affected by climate change because of the minimal nature of its current business activities.

Climate risk is also not material at present primarily because there is no direct operations significantly affected by climate concerns. Likewise, BKR is not engaged in any business operation that impacts Procurement and Anti-Corruption. Resource management is minimal as it has nominal resources because of its limited operations within and from the offices of an operating subsidiary. There are no products in production and so there are no environmental issues. It does not have a union, hence topics on Employee Management, Training and Development, Diversity and Equal Opportunity and Supply Chain are not considered material.



## Index of Material Topics

Pursuant to Annexes A (Reporting Template) and B (Topic Guide) of the SEC Memorandum Circular No. 4 (Sustainability Reporting Guidelines for Publicly-listed Companies), the following are the topics BKR has identified as material for the reporting period and which were addressed in this report:

TOPIC	PAGE NUMBER IN ANNEX A OF THE SEC GUIDELINES	PAGE NUMBER IN THIS REPORT
Data Privacy and Security Protection	41	
Economic Performance	19	
UN SDG 8: Decent Work and Economic Growth	14	