

Annual Sustainability Report



2022

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Profile

Bright Kindle Resources and Investments Inc. (BKR) supports the United Nations Sustainable Development Goals (UNSDG) as it continues to focus on building a portfolio of sustainable investments.

Name of Organization

Bright Kindle Resources and Investments, Inc. (BKR)

Principal Office

16th Floor BDO Towers Valero
8741 Paseo de Roxas, Makati City

Report Boundary

Parent Company:
RYM Business Management Corporation

Subsidiary:
Marcventures Holdings, Inc.

A holding company listed
in the Philippine Stock Exchange.

Business Model

Engaged in the purchase, exchange, and assignment of investments and properties

Reporting Period

January 1 to December 31, 2022

Sustainable Investments

The Philippine economy's growth momentum and resilience are expected to continue in 2023. The National Economic and Development Authority (NEDA) attributed the accelerated domestic demand to the significant rise in employment in the previous year.

The easing of pandemic restrictions in 2022 proved to be a catalyst, which paved the way for a promising economic recovery. The travel and tourism industry was revitalized with the return of local and foreign travelers. The encouraging growth opened new opportunities for employment, business ventures, and investments.

The Philippine Gross Domestic Product (GDP) posted a growth of 7.2 % in the fourth quarter of 2022, resulting in a 7.6 % full-year growth in 2022, exceeding the government's projection of 6.5 %. According to the NEDA report the service industry had the fastest growth of 31.8% after the government reopened the economy and lifted travel restrictions.

In the past two years, working towards achieving the United Nations Sustainable Development Goal (UNSDG) on Economic Growth, proved to be a challenge, because of COVID-19. But with the easing of restrictions and robust business recovery, countries worldwide have significantly hurdled the roadblocks and have pivoted towards strengthening the local economy.

Bright Kindle Resources and Investments Inc. (BKR) supports NEDA's Philippine Development Plan for 2023-2028. To revitalize job creation and poverty reduction, the development plan seeks to return to the high growth trajectory, after an economic slump of more than two years.



BKR has no operating activities at present, but it continues to focus on building a portfolio of sustainable investments. Through its subsidiary, Marcventures Holdings Inc. (MHI), the company supports the sustainable development goal for economic growth and productive employment. MHI has its own Sustainability Report for 2022.

BKR’s primary investment is in MHI, a publicly-listed company and the parent company of Marcventures Mining and Development Corporation (MMDC). The nickel mining tenement is located across the municipalities of Cantilan, Carrascal, and Madrid in Surigao del Sur.

BKR further contributes to sustainable development by observing good corporate practices. The company operations are anchored on the principles of accountability, transparency, honesty, integrity, fairness, and responsible stewardship of the Company’s various investments. It has no substantial operations apart from its holding investments and property ownership.

Responsible Management

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



Corporate Governance

BKR observes good corporate practices, through the responsible stewardship of the Company's various investments. The board is responsible for governance setting the policies for the accomplishment of the corporate objectives and providing an independent check on management.

BKR's independent directors 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 it caters to its primary purpose, which is that of a holding company.

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.

Regular stockholders' meetings are held to update stockholders about the current condition and future standing of the Company. In 2022, the Company's audited financial performance was presented to shareholders during the virtual annual stockholders' meeting held on May 26, 2022.

As in the previous year, the meeting was via remote communication format to further safeguard everyone's safety and health during the pandemic.

Company information is freely accessible online, on the official BKR which also includes, among others, the current Annual Report and Sustainability Reports.



Economic Value Generated

Currently, BKR's revenue is derived from bank deposit interests. As a non-operating company, there are no recorded employees' wages and benefits, nor dividends given to stockholders and interest payments or investments to the community in 2022.

While BKR is a holding company, with no business activities that substantially impact society outside its investment management functions, the Company's economic activities manage to generate economic value.

Based on the results for the year in review, the Company paid ₱ 251,122.13 in government benefits in the form of royalties and taxes in 2022. Expenditures for suppliers and other related operating costs amounted to ₱ 7,305,878.33.

Despite the slowdown in the global and national economy, BKR's contribution continued, and economic value was still achieved even if the impact on the economy, environment, or society is minimal.

Future Success and Sustainability

BKR further supports the UN's sustainable goal of promoting economic growth as it lays the groundwork for future investment prospects. It is currently exploring possibilities for potential investments via partnerships, acquisitions, joint ventures, and other opportunities, keeping in mind that all investments shall be made to enhance sustainable business practices.

Data Privacy and Security

Responsible stewardship is further demonstrated as it prioritizes data security. This is 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 properly enforced. Corporate services are handled by MHI, with an assigned Data Privacy Officer for BKR who is in charge of implementing confidentiality measures to comply with Philippine Data Privacy Laws. MHI follows a strict policy on the Protection of Confidential Information. For 2022, there were no reported incidents of data breaches, leaks, or losses in the Company.

Materiality Assessment

For the 2022 Sustainability Report, BKR identified the material topics based on the Global Reporting Initiative (GRI) Standards. Materiality is defined as indicators that reflect the organization's significant economic, environmental, and social impacts that would substantively influence the assessments and decisions of stakeholders.

Moving forward BKR expects to further refine its sustainability reporting matrix should the Company decide to actively get involved in other investment activities.

The first BKR Sustainability Report was published in 2019, under the guidance of Atty. Teodoro Kalaw IV, a certified sustainability trainer by the Global Reporting Initiative and a certified 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. For 2022, the same team updated the topics and other pertinent information for the current report.

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. in 2019 were not significant in the current set-up. As the Company further builds its investment portfolio there will be more substantial information that will specifically demonstrate its contributions to the United Nations Sustainable Development Goals.

INDEX OF MATERIAL TOPICS

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Data Privacy and Security Protection	41	8
Economic Performance	19	7
UN SDG 8: Decent Work and Economic Growth	14	4

