

## Annex A: Reporting Template

(For additional guidance on how to answer the Topics, organizations may refer to Annex B: Topic Guide)

### Contextual Information

Company Details	
Name of Organization	SBS Philippines Corporation
Location of Headquarters	10 Resthaven Street, SFDM, Quezon City
Location of Operations	10 Resthaven Street, SFDM, Quezon City, including its leased warehouses in Mandaluyong, Malabon, and Marilao, Bulacan
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	SBS Philippines Corporation
Business Model, including Primary Activities, Brands, Products, and Services	Importer, Wholesaler and Distributor of wide range of chemical products as raw materials for various industries including food and beverage, industrial and detergents, feeds and agriculture, building and construction and other industries.
Reporting Period	December 31, 2020
Highest Ranking Person responsible for this report	Gerry D. Tan – President and CEO

*\*If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

### Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics. <sup>1</sup>
<p>In order to identify the sustainability issues that are of material importance to SBS and the relevant stakeholder groups, the SBS Sustainability Core Team conducted a Stakeholder Identification and Prioritization as the primary step of the process in 2019. More than 20 stakeholder groups had been identified in this initial step.</p> <p>The SBS Sustainability Core Team also conducted desktop review of trends, key drivers, and risks identified by national and international agencies, as well as industry specific sustainability issues as our reference to enable the grouping and prioritization of the relevant stakeholders and identification of probable material topics prior to comprehensive engagement with the stakeholders.</p> <p>As result of the management exercise, we had identified some potential material topics such as:</p> <ul style="list-style-type: none"><li>- Economic performance;</li><li>- Procurement practices;</li><li>- Anti-corruption;</li><li>- Energy;</li><li>- Environmental compliance;</li></ul>

<sup>1</sup> See [GRI 102-46](#) (2016) for more guidance.

- Supplier environmental assessment;
- effluent and waste;
- Employment;
- Occupational Health and safety;
- Training & development, and
- Customer privacy

Six sets of stakeholders interviews covering internal and external stakeholders was planned to be conducted in 2020 to deep dive into the stakeholder perspective on the issues that they considered relevant, their corresponding impacts, and expectation from SBS. Due to the COVID 19 pandemic that limited the employees' activities and interactions following quarantine requirement, the company has deferred this activity to 2021.

Upon completion of this process, a list of sustainability topics that are material to the business of SBS and where we can create the most impact will be presented to SBS Board.

Based on the list of material issues and our sustainability strategy, management will set sustainability target and the planned actions for SBS for the next 3 years.

In the next annual sustainability reporting, the final list of the Material topics will be presented covering Economic, Environmental, and Social areas.

## ECONOMIC

### Economic Performance

#### Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	923,069,664	PhP
Direct economic value distributed:		
a. Operating costs	102,556,258	PhP
b. Employee wages and benefits	30,261,543	PhP
c. Payments to suppliers, other operating costs	520,600,661	PhP
d. Dividends given to stockholders and interest payments to loan providers	123,861,556	PhP
e. Taxes given to government	45,893,952	PhP
f. Investments to community (e.g. donations, CSR)	1,020,024	PhP

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or</i></p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p>

<p><i>linked to impacts through its business relationship)</i></p> <p>SBS's economic value generated primarily impacts the manufacturing processes and ultimately the value chains of its clients. The Company's business operation and distribution activities also directly supports employment in the Company as indirect employment in its network of suppliers and service providers.</p> <p>The Company also creates value for its shareholders through the capital appreciation of its stocks since its initial public offering in 2015 as well as the cash dividends paid out since then.</p> <p>It also contributes to the national government through the payment of national and local business taxes.</p>	<ul style="list-style-type: none"> <li>- Customers</li> <li>- Employees</li> <li>- Shareholders</li> <li>- Suppliers and Business partners</li> <li>- Communities</li> <li>- Government</li> </ul>	<p>The Company has a medium term strategic plan reviewed by the Board to ensure clarity of its direction and the economic utilization of capital and resources.</p> <p>The Company also has an annual revenue and expense budget that is used to manage its operations. This budget is aligned with the abovementioned strategic plan.</p> <p>The Company conducts its annual Stockholders Meeting (ASM) where the Company's direction and results of operations are presented to shareholders. The ASM provides a forum for shareholders to express their views and dialogue with the board of directors and management.</p> <p>The Company also establish feedback mechanism for other stakeholders to enable the company to assess its relevance and economic impact to the various stakeholders.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Increasing operational and logistic cost; securing permits and licenses (either new or during renewals) on a timely basis from various government regulatory agencies the); increasing competition from other players; unforeseen crisis and events</p> <p>(Please refer to SBS 2020 SEC Disclosure 17-A, page 9-13 for the list of Risks)</p>	<ul style="list-style-type: none"> <li>- Customers</li> <li>- Employees</li> <li>- Shareholders</li> <li>- Suppliers and Business partners</li> <li>- Communities</li> <li>- Government</li> </ul>	<p>The Company undertakes an annual assessment of its risks and reviews its management processes to manage its risk exposure.</p> <p>The Company has a Business Continuity Plan. The plan aims to ensure that the company is able to recover quickly and maintain its operations in the event of a crisis or disaster.</p> <p>(Please refer to SBS 2020 SEC Disclosure 17-A, page 9-13 for the list of Risk mitigation measures)</p>

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>The Company has begun to offer environment friendly products as alternatives to some of its existing products in anticipation of possible shifts in the market towards increasing preferences for these products.</p> <p>The Company is also exploring the creation of new sales and marketing channels through e-commerce platform to increase its market visibility to the digital community.</p>	<p>Success in the introduction of more sustainable products will create value for shareholders, employees, customers, business partners and the community where we operate in, as well as improve the country's environment.</p>	<p>The Company's medium term development plan includes the identification of key growth opportunities by understanding the current unmet needs in the market, as well as possible shift in market trends driven by consumer preferences and by government regulations.</p> <p>The Company sources these products from leading manufacturers that have track records in the various application, and spend development cost to support the product introduction in the local market.</p>

#### Climate-related risks and opportunities<sup>2</sup>

Governance	Strategy	Risk Management	Metrics and Targets
<p><i>Disclose the organization's governance around climate-related risks and opportunities</i></p> <p>The Company's Revised Corporate Governance Manual of 2019 provides:</p> <p><u>Approach to Sustainability</u> "The Company is committed to ensure business sustainability by promoting a culture of responsibility in managing the</p>	<p><i>Disclose the actual and potential impacts<sup>3</sup> of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material</i></p> <p>The Company still needs to conduct further study to be able to quantify the potential impacts of climate-related risk on its business.</p> <p>In general terms, severe weather conditions and natural disasters may lead to</p>	<p><i>Disclose how the organization identifies, assesses, and manages climate-related risks</i></p> <p>To protect against these contingencies and mitigate the effects of such supply disruptions, the Company maintains a reasonable safety inventory position level and buffer to ensure optimal supply flexibility and operational resilience.</p>	<p><i>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</i></p> <p>At present, the Company has not yet set definitive metrics and targets to assess and manage relevant climate-related risk and opportunities. The Company's management will include the setting of relevant targets in the priority actions to be</p>

<sup>2</sup> Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

<sup>3</sup> For this disclosure, impact refers to the impact of climate-related issues on the company.

environmental, social and governance effects of its strategies and operations. Its approach to sustainability involves giving importance to customer experience and workplace safety, promoting trade and industry and a risk-focused organization, supporting the development of the communities in which it operates and managing its environmental impact”.	port congestions and production outages which may cause supply shortages. Such events may have adverse effect on its finances such as loss of sales revenue, or increases in logistic cost depending on the degree of disruption.		completed in the next 2 years.
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#### Recommended Disclosures

<p><i>a) Describe the board’s oversight of climate-related risks and opportunities</i></p> <p>The Audit and Risk Oversight Board Committee monitors risk exposures and reviews risk management plans of the Company. This includes inherent operational risks arising from natural disasters and severe weather conditions.</p> <p>The Committee has not yet incorporated a thorough review of the potential quantifiable impact of climate-related risks and opportunities to the Company.</p>	<p><i>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term</i></p> <p>The organization has identified the following climate-related risks:</p> <p>Severe weather conditions may cause product shortages and port congestions that will disrupt the Company’s supply chain leading to loss in sales revenue and increase logistic cost.</p> <p>Flooding may also limit access to and from the Company’s storage facilities. This may cause disruption of its supply chain even if</p>	<p><i>a) Describe the organization’s processes for identifying and assessing climate-related risks</i></p> <p>The Company still requires further study to develop a structured assessment method in quantifying the impact and prioritizing the actions required on the identified climate-related risk.</p>	<p><i>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</i></p> <p>At present, the Board has not yet set the definitive metrics to be used to assess and manage the relevant climate-related risk and opportunities. The setting of the metrics is to be finalized in the next 2 years.</p>
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	<p>the Company's facilities are presently not located in flood prone areas.</p> <p>Increase in average climate temperature also increases the energy consumption of the Company's temperature controlled storage facilities, thus, resulting in increase of operating cost of the Company.</p> <p>The organization has identified the following climate-related opportunities:</p> <p>The Company foresee the increase use of advance technology and process chemicals to treat and recycle water for further use by the industrial sectors.</p> <p>Another business opportunity is increase demand of process chemicals in waste to energy facilities as more facilities are installed in the country.</p>		
<i>b) Describe management's role in assessing and managing climate-related risks and opportunities</i>	<i>b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.</i>	<i>b) Describe the organization's processes for managing climate-related risks</i>	<i>b) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets</i>

<p>Management ensures that the Company's approach to Sustainability is implemented. This includes managing Company's own environmental impact, mitigating actions required, as well as identifying the opportunities on how the Company can be positioned to promote and benefit from it.</p>	<p>The Company's management has not yet quantified the impact of the identified climate-related risk and opportunities on the Company's businesses.</p> <p>In general terms, the climate-related risk identified in the preceding table may lead to loss of sales revenue in case of product shortages and supply chain disruption or increase in its operating cost due to scarcity of resources or logistic difficulty.</p> <p>On the other hand, the climate-related opportunities identified in the preceding table may support increase in sales revenue through increase demand of process chemicals for water treatment and in waste to energy facilities.</p>	<p>Besides maintaining reasonable and safety levels of inventories; the Company also ensure that there is no concentration or over reliance on one particular supplier. The Company keeps and maintains good relationships with a number of suppliers for its sourcing (at least from 2 different countries) and does not depend on a limited number of suppliers for its chemical procurement.</p> <p>The Company has started the shift to energy-efficient bulbs in its office and warehouse facilities; use of inverter technology air-conditioners, which decrease the energy usage for the Company.</p>	<p>At present, the Company has not yet set the targets used to assess and manage the relevant climate-related risk and opportunities. Management will include the setting of relevant targets and priorities to be completed in the next 2 years.</p>
	<p><i>c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario</i></p> <p>The organization's strategy has not been assessed of its</p>	<p><i>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management</i></p> <p>The Company still requires further study to develop a</p>	

	<p>resiliency to different climate-related scenarios. Management will include this assessment in the next strategic planning session in 2021.</p>	<p>structured assessment method in quantifying the impact and prioritizing the actions required on the identified climate-related risks.</p> <p>Since the Company promotes a risk-aware culture by making risk management a responsibility of every employee and an integral part of the Company's strategic and operational planning, and day-to-day management and decision making, the processes that will be used for identifying, assessing, and managing climate-related risks will most likely be deployed in similar way for ease of integration into the overall risk management system of the Company.</p>	
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## Procurement Practices

### Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	23	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</p> <p>Indicate involvement in the impact (i.e., caused by the organization or</p>	<p>(e.g. employees, community, suppliers, government, vulnerable groups)</p>	<p>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</p>



<p><i>linked to impacts through its business relationship)</i></p> <p>For the scope of this disclosure, “local suppliers” shall refer to Metro Manila and Bulacan based companies and businesses, including distributors of imported products. “Non-local suppliers” are those outside the parameters of the “local suppliers”.</p> <p>The Company directly imports chemical products intended for sale from foreign suppliers being the business model of the Company as an importer, indenter, distributor of chemical raw materials to various industries in the country. These trade goods from “non-local/foreign suppliers” accounts for 77% of the Company’s total procurement for the year.</p> <p>The Company procures its non-trade goods and various services from “local suppliers”, which is essential in sustaining the business operations of the Company. The Company through this supply chain network of various service providers and suppliers provide indirect business and employment opportunities to other groups.</p>	<ul style="list-style-type: none"> <li>- Suppliers</li> <li>- Service Providers</li> <li>- Logistics</li> <li>- Employees</li> <li>- Customers</li> <li>- Local Communities</li> </ul>	<p>The Company deals with the foreign suppliers through its trade purchasing department. Various departments are assigned to deal with the non-trade suppliers, repairs and maintenance services, and logistics / service providers and directly monitors the performance of these suppliers. The Company values close cooperation with suppliers to achieve mutually-beneficial business relationship.</p> <p>At present, the Company has not yet established a formal supplier accreditation policy. A procurement strategy and a formal supplier accreditation policy will be put in place in 2021.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>The Company has identified the following risks:</p> <ol style="list-style-type: none"> <li>1. Counterparty risk <ul style="list-style-type: none"> <li>- Financial stability of the suppliers and service providers cannot be assured</li> </ul> </li> </ol>	<p>Suppliers</p> <p>Customers</p> <p>Service Providers</p>	<p>The Company assess its suppliers based on its ability and consistency to supply goods at competitive price, track record in industry, financial capability, and regular review of its performance to the Company. We ensure that they are compliant with any standards and</p>

<ul style="list-style-type: none"> <li>- Inability of service providers to provide the contracted services at all times (irrespective of external prevailing circumstances)</li> <li>- Quality / Conformity to specification of the purchased / delivered products is not consistent</li> </ul> <p>2. Stock availability risk</p> <ul style="list-style-type: none"> <li>- Delays in the arrival / delivery of the products from our logistic providers for various reasons.</li> </ul> <p>3. Compliance risk</p> <ul style="list-style-type: none"> <li>- Available stocks in the market may not be compliant with standards and regulations.</li> </ul> <p>4. Internal Process risks</p> <ul style="list-style-type: none"> <li>- Error-ridden documentation</li> <li>- Lost forms and data</li> <li>- Delayed approvals</li> <li>- Late filing of needed permits and licenses</li> </ul>		<p>regulations that they or we must comply with and that their company morals are aligned with the Company.</p> <p>The Company implements a multi-supplier concept in its critical areas to ensure reliability of supply and services.</p> <p>The Company pursues digital transformation and more efficient and effective internal processing of transactions by implementing an ERP (Enterprise Resource Planning) system. The ERP system includes the Purchase Order module which covers the recording and processing of Procurement key areas such as Vendor Management, Inventory Management, Purchase Order processing, Vendor invoice processing and payment.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>The Company can further improve its procurement practice with better demand forecasting, and implementation of formal supplier accreditation policy.</p> <p>Improved procurement practice can yield savings in the value chain.</p>	<p>Suppliers</p> <p>Customers</p> <p>Service providers</p>	<p>The Company is in its implementation phase for an enterprise resource planning system to improve its business information and analysis of demand trend.</p> <p>A formal supplier accreditation policy will be put in place within the next 12 months.</p> <p>The procurement process shall ensure that value is realized through contract management and supplier relation</p>

		management. It shall be a driver for sustainable savings across the Company.
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## Anti-corruption

### Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	83	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	Data gathering on-going	%
Percentage of directors and management that have received anti-corruption training	64%	%
Percentage of employees that have received anti-corruption training	39%	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>As an importer and distributor of products, the Company through its employees transacts with multiple external stakeholders across different contact points in the organization.</p> <p>The Code of Business Conduct and Ethics is intended to provide guidance to all officers and employees in resolving legal and ethical challenges of their daily work and encourage adherence to integrity, governance, and responsible business practices.</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>Suppliers</p> <p>Customers</p> <p>Directors, Officers and Employees of the Company</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The company has established its Code of Business Conduct and Ethics that includes its anti-corruption policy. The Code is shared with all its stakeholders' through its publication on the company's website. This is accompanied by the adoption of management systems designed to help us honor our commitment in our day-to-day operations such as a Conflict of Interest Policy and its requirement of proper disclosure.</p> <p>In 2020, a communication with regards to Code of Business Conduct orientation /seminar has been released and disseminated to majority of the employees who were present on the day</p>

The Company identified the need for specific training program on anti-corruption to its employees.		the letter was circulated. The management rolled out an orientation/seminar on Anti-corruption, Whistleblowing Policy and Conflict of Interest Policy to employees as an awareness exercise to reinforce the Company's stand and adherence to best practice in conducting ethical business dealings both for internal and external transactions.
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<i>Identify risk/s related to material topic of the organization</i>  1. Regulatory and Legal risk  Exposure to losses for noncompliance to existing or future laws, rules and regulations.  2. Reputational risk  Reportable or non-reportable issues or incidents related to anti-corruption may tarnish the company's reputation in the eyes of its stakeholders and the general public.	Suppliers  Customers  Directors, Officers and Employees of the Company	The Company has rolled out an orientation and training program on anti-corruption as part of its Code of Business Conduct which is deployed to the officers and employees of the Company.
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<i>Identify the opportunity/ies related to material topic of the organization</i>  Ensure value creation and long term resilience of the business through proper business conduct.  Embedding ethical culture.	Suppliers  Customers  Directors, Officers and Employees of the Company	The Company has rolled out an orientation and training program on anti-corruption as part of its Code of Business Conduct which is deployed to the officers and employees of the Company.  It will also be incorporated in the onboarding orientation program to newly hired employees to ensure that the Company's policies are clearly communicated to the new employees.

## Incidents of Corruption

Disclosure	Quantity	Units
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	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>Incidents of corruption may occur when a director, officer or employee fails to comply with Company's Code of Business Conduct and Ethics. This may cause reputational and financial risks to the Company including potential fines and legal cases.</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>Suppliers</p> <p>Customers</p> <p>Directors, Officers and Employees of the Company</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company has adopted Whistleblowing Policy to provide for a mechanism where genuine issues and concerns of wrongdoing, impropriety or irregularity involving or affecting the Company may be raised in a confidential manner. This is shared with all the stakeholders through the Company's website.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>No identified material risk without recorded incident of corruption recorded.</p>	<p>Directors, Officers and Employees of the Company</p>	<p>The Company will continuously provide updated training programs on anti-corruption to its employees.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach

Identify the opportunity/ies related to material topic of the organization		
No identified material opportunity without recorded incident of corruption recorded.	Directors, Officers and Employees of the Company	The Company will continuously provide updated training programs on anti-corruption to its employees.

## ENVIRONMENT

### Resource Management

#### Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	82	GJ
Energy consumption (LPG)	0	GJ
Energy consumption (diesel)	800	GJ
Energy consumption (electricity)	161,954	kWh

#### Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	Ongoing data gathering	GJ
Energy reduction (LPG)	0	GJ
Energy reduction (diesel)	Ongoing data gathering	GJ
Energy reduction (electricity)	Ongoing data gathering	kWh
Energy reduction (gasoline)	Ongoing data gathering	GJ

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</p> <p>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</p> <p>Energy is an integral part of the operations of SBS. It is utilized in</p>	<p>(e.g. employees, community, suppliers, government, vulnerable groups)</p>	<p>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</p> <p>The Company makes systemic use of various management techniques, processes, and tools to improve its</p>

the head office and its several warehouse sites, and across its supply chain for its daily operations.	The stakeholders affected are suppliers, customers and employees.	<p>energy management performance. It gets its energy supply from the accredited energy provider in the area, and will continue to do so. We ensure compliance with energy regulations and policies.</p> <p>The Company has shifted to energy-efficient bulbs in its office and warehouse facilities; use of inverter technology air-conditioners which decrease the energy usage for the Company.</p> <p>The Company use the 2019 electricity consumption as a baseline figure to plan for its reduction in the succeeding years. Daily electric consumption has been gathered establishing reference on the Company's energy usage that enable to compare the energy performance of each facility, detect unusual spike in energy use and identify steps to reduce energy consumption.</p> <p>The company will utilize the 2020 gasoline and diesel consumption as baseline reference to cover comprehensive and comparable measurements on these energy type for the succeeding years. The Company will be able to have comparable data and targets within the next two to three years.</p>
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>The risks identified are:</p> <ol style="list-style-type: none"> <li>1. Power supply interruption risk <ul style="list-style-type: none"> <li>- Brownout interrupts operations as order processing is done through computers;</li> <li>- Prolonged brownouts may cause damage to products that need to be stored in controlled temperature</li> </ul> </li> </ol>	The stakeholders affected are customers and employees.	<p>The Company has started to develop an energy management plan aimed at controlling and reducing energy consumption in the company's premises.</p> <p>An electrical audit has started that identified inefficiencies on energy consumption, to increase the life span of electrical equipment and ensure safety at the workplace.</p>

<p>and should not be placed in high temperature for a prolonged period of time;</p> <ul style="list-style-type: none"> <li>- Brownout affects the productivity of employees as they will be inconvenienced.</li> </ul> <p>2. Energy efficiency risk</p> <ul style="list-style-type: none"> <li>- There may be wasted energy from undetected line to ground faults of certain electrical facilities;</li> <li>- Non-replacement of high consuming lighting bulbs with energy-efficient ones</li> </ul> <p>3. Fuel efficiency risk</p> <ul style="list-style-type: none"> <li>- Inefficient use of fuel (i.e. gasoline and diesel)</li> </ul>		<p>It shall also make available a standby generator should energy fluctuations happen or when energy supply fails.</p> <p>Requests of fuels are being reviewed and approved by Warehouse Management and that Daily Trip Plan is being prepared to be the basis of daily trips for efficiency.</p>
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>The Company supplies processed chemicals for “waste-to-energy” facilities. The company noted increase in the number of similar installation across the country. Potentially, this will also increase the demand for processed chemicals providing business opportunity for the Company.</p>	<p>The stakeholders affected are customers and employees.</p>	<p>The Company continue to develop new businesses towards a greener future for everyone. The Company manages the inventory and ensures that supply of such raw materials needed by its customers is on hand.</p> <p>Meanwhile, the Company is on the planning stage to install solar panel grid-tied system at the head office to reduce the electricity consumption from the grid and to generate energy savings. The final target reduction in accordance with the Company’s energy management plan will be finalized in 2021.</p>



### Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	4402	Cubic meters
Water consumption	4402	Cubic meters
Water recycled and reused	0	Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>The overall company operation has negligible use of water. Water consumption is mainly for usage at the offices. This is not considered a material topic.</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>Employees</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company sources its water requirement from the accredited water provider in the area, and will continue to do so.</p> <p>The Company has implemented water conservation measures such as replacing or repairing leaky faucets, awareness activities to promote sustainable management of water resources, etc.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Water supply risk - Lack of water or interruption in the water supply will inconvenienced employees at the workplace and may affect their productivity.</p>	<p>Employees at the workplace.</p>	<p>The Company has an overhead water tank in its premises which can store water pump directly from a water tank should it be necessary to get water supply elsewhere.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p>		

<p>The Company has identified the following opportunities:</p> <ul style="list-style-type: none"> <li>- Installation of waterless urinals</li> <li>- Conduct water saving campaigns to increase awareness and reduce water consumption</li> <li>- Installation of rainwater storage system (collected water can be used in cleaning building grounds/perimeter, watering plants, flushing toilets)</li> </ul> <p>As a chemical distributor, we supply products that are used for water treatment by our customers.</p>	<p>Employees</p> <p>Suppliers</p> <p>Customers</p>	<p>The Company has a property administrator responsible to conduct preventive maintenance on company facilities and assign personnel to make immediate repairs such as leaks, etc. In addition, daily water consumption is monitored and monthly comparison is made to check on abnormal use or fluctuation.</p> <p>The Company continuously keeps itself aware of the water treatment needs of the different industries in relation to its business activity of supplying chemical products to them for water treatment.</p>
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#### Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
• Renewable	2,225	Kg
• non-renewable	9,222	Kg
Percentage of recycled input materials used to manufacture the organization's primary products and services	19	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>The Company's business operation is importation and distribution of chemical products in its packaged containers.</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>Stakeholders affected are customers and employees</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>Responsible resource management is an integral part of our strategy. It is applied within the company through our sourcing processes and the use of renewable raw materials, whenever possible. In the</p>

<p>Imported chemicals are all transported to customers when organization fulfills delivery. Such chemicals are in drums, carbouys, sacks, and pallets.</p> <p>The packaging materials use as input by the Company are sourced locally such as plastic for shrink wrapped, paper sacks, plastic sacks and carbouys, few steel drums when required to meet customer specific requirements on packaging.</p>		<p>search for alternative raw materials, we employ solutions that contribute to sustainability.</p> <p>The Company has minimal packaging material input as products imported for sale are already in standard packing. Additional material input by the company is limited to those specified by the customer.</p>
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Regulatory compliance risk (emerging) - Future regulation or policy regarding use of non-renewable material input</p>	Customers	The Company coordinates with affected customers and potential suppliers of alternative packaging for consideration.
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Consider alternative packaging to the non-renewable materials.</p>	<p>Customers</p> <p>Communities</p>	The Company coordinates with affected customers and potential suppliers of alternative packaging for consideration.

#### Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	none	
Habitats protected or restored	none	ha
IUCN <sup>4</sup> Red List species and national conservation list species with habitats in areas affected by operations	none	

<sup>4</sup> International Union for Conservation of Nature

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>No material impact from Company's operation.</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>This is not a material topic of the organization.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>This is not a material topic of the organization.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>There is no material risk identified.</p>	<p>This is not a material topic of the organization.</p>	<p>This is not a material topic of the organization.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>This is no material opportunity identified.</p>	<p>This is not a material topic of the organization.</p>	<p>This is not a material topic of the organization.</p>

## Environmental impact management

### Air Emissions

#### GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	Ongoing data gathering	Tonnes CO <sub>2</sub> e
Energy indirect (Scope 2) GHG Emissions	Ongoing data gathering	Tonnes CO <sub>2</sub> e
Emissions of ozone-depleting substances (ODS)	Ongoing data gathering	Tonnes

What is the impact and where does it occur? What is the	Which stakeholders are affected?	Management Approach
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organization's involvement in the impact?		
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>From Company's operation, the cause of air emission is from our delivery trucks and service vehicles affecting communities in its route, and usage of refrigerants for air-conditioners in the office and controlled-temp warehouse facility.</p> <p>Indirectly, the electricity consumption sourced from the electricity grid also has air emission but is managed by the electricity power generation companies.</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>Employees Customers Communities</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company ensures that all its delivery trucks and vehicles emissions are compliant with government regulations through preventive maintenance and annual monitoring. The Company implements an efficient transportation strategy to reduce emissions produced.</p> <p>Refrigerants of air-conditioners are gradually replaced with environment friendly grades over a three-year period.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Any future regulation that reduces emission standard from vehicles may require acquisition of new units to be compliant with any new regulation.</p>	<p>Employees Customers Communities</p>	<p>Emission profile of a vehicle is part of the assessment criteria for purchase of new vehicles.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Potential use of renewable energy and more sustainable technologies available in the market.</p>	<p>Employees Customers Suppliers Investors Communities</p>	<p>The Company continues to explore available technologies and/or renewable energy systems that have lesser negative impact on the environment.</p> <p>The Company will be investing in the installation of solar technology in its head office to reduce air emission with</p>

		reduction of its grid supplied electricity. It is also contemplating to invest in electric forklift to partially replace diesel powered forklift.
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#### Air pollutants

Disclosure	Quantity	Units
NO <sub>x</sub>	Not yet determined	Kg
SO <sub>x</sub>	Not yet determined	kg
Persistent organic pollutants (POPs)	Not yet determined	Kg
Volatile organic compounds (VOCs)	Not yet determined	Kg
Hazardous air pollutants (HAPs)	Not yet determined	Kg
Particulate matter (PM)	Not yet determined	Kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>As the organization uses air-conditioning and vehicles to operate its business, it contributes to output of air pollutants.</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>Stakeholders affected are community, government, customers.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>We apply adequate housekeeping and disposal of wastes.</p> <p>The Company has an efficient maintenance program for its vehicles to ensure that these are in good running order. Vehicles, likewise, submit to annual government testing during vehicle renewal of registration.</p> <p>The organization also conducts regular checks and maintenance of air-con units. Refrigerants of air-conditioners are gradually replaced with environment friendly grades over a three-year period.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Failure to meet regulatory emission standards will hamper scheduled customer visits or deliveries.</p>	<p>Stakeholders affected are customers.</p>	<p>Management ensures proper maintenance of all company vehicles and those from third party logistics providers so that there is no interruption of</p>

Continuous exposure of workers from forklift and vehicles emission containing high volume of air pollutants may affect their health.		<p>deliveries to customers. Availability of back-up vehicles are also considered.</p> <p>Emission profile of a vehicle is part of the assessment criteria for purchase of new vehicles.</p> <p>Proper ventilation in work areas are provided.</p>
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Maximizing cargo capacity per delivery truck and route optimization will result in less air pollutant per ton of delivered product.</p>	<p>Employees Customers Logistics providers</p>	<p>The Company will apply an efficient transportation strategy and explore the possibility of partnering with select numbers of customers' procurement and supply chain departments to implement this identified opportunity whenever feasible.</p>

## Solid and Hazardous Wastes

### Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	14,419	kg
Reusable	180	kg
Recyclable	6,656	kg
Composted	1,943	kg
Incinerated	0	kg
Residuals/Landfilled	5,640	kg

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company is committed to reducing and eliminating adverse impacts of waste</p>

The company has outputs of solid wastes from its office and warehouse operations.	Stakeholders affected are employees and communities.	materials on human health and the environment to support economic development and superior quality of life.  The company has a daily schedule to collect solid wastes generated by its employees and the operations. Except those that are intended for re-use or recycling from warehouse operation, these are placed securely in garbage bags and properly sealed to prevent spillage and proper disposal.
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<i>Identify risk/s related to material topic of the organization</i>  Health and Safety Risk <ul style="list-style-type: none"> <li>- Improper disposal of waste could lead to disease and/or injury to employees; plastic waste contamination to environment.</li> </ul>	Stakeholder affected are employees, communities where the organization is present in, government.	The Company is developing a comprehensive plan (awareness, infrastructure, implementation, monitoring) on waste segregation and recycling of its solid waste.
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<i>Identify the opportunity/ies related to material topic of the organization</i>  This can be the opportunity of the company to encourage employees to practice waste segregation at work and in their homes.	Stakeholders affected are employees, community and government.	Management will supply appropriate areas to place the bins that are clearly labeled to guide its employees. This also ensures that the organization is aligned with the initiatives of the local government where its sites are located.

#### Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	None	kg
Total weight of hazardous waste transported	None	kg

<b>What is the impact and where does it occur? What is the</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
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<b>organization's involvement in the impact?</b>		
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>The company is not in manufacturing industry and does not generate hazardous waste in its process. This is not a material topic of the organization.</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>This is not a material topic of the organization.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>This is not a material topic of the organization.</p>
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Some chemical products that is supplied to customers may become hazardous waste after the use by the customer.</p>	<p>Customers or end-users of some products.</p>	<p>The Company provides product information to customers on the proper handling, storage and use of the raw materials for their guidance.</p>
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Supply of alternative products considered as environment friendly to customers currently using non-environmental friendly products.</p>	<p>Customers or end-users of some products.</p>	<p>The Company introduces environment friendly products to its customers.</p>

#### Effluents

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Total volume of water discharges	0 (septic tanks)	Cubic meters
Percent of wastewater recycled	0	%

<b>What is the impact and where does it occur? What is the</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
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<b>organization's involvement in the impact?</b>		
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>Our overall company operation has negligible impact on effluent. This is not considered a material topic.</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>Not a material topic.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>It is company policy that effluents from company operation are drained into the septic tanks built for such purpose, and sludge are disposed by accredited and license contractors.</p>
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>No identified material risk.</p>	<p>Not a material topic.</p>	<p>Not a material topic.</p>
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>As a chemical distributor, we supply products that are used for wastewater treatment by our customers.</p>	<p>We promote products to our customers for wastewater treatment.</p>	<p>The Company is kept abreast with the regulations regarding discharge effluents parameters for guidance on how we addressed the needs of our customers.</p>

## Environmental compliance

### Non-compliance with Environmental Laws and Regulations

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>The potential impact occurs on individual site basis where the Company operates (office, warehouses).</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>Employees</p> <p>Communities</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company has Employee Health, Safety and Welfare Policy that covers this material topic:</p> <p>“ ..... Compliance with government mandate on environmental and safety regulations is met. Necessary permits, licenses, clearances and registrations are acquired to ensure employees' and environment safety and protection. ....”</p> <p>The company trades, handles and stores some Priority Chemical List (PCL) and Chemical Control Order (CCO) classified chemicals in a DENR approved warehouse in Metro Manila. This is done with proper supervision and under extreme safety procedures in accordance with industry standards. Board inquiry and discussions on the status of this operation are held resulting in ad hoc reports by Management.</p> <p>Constant monitoring of expired inventory is made and proper disposal of such is reported to the Board regularly. Management assures that said expired inventory is disposed of in an environmentally safe manner.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Regulatory compliance risk - Non-conformance to environmental</p>	<p>Employees</p>	<p>The Company has a designated PCO (Pollution Control Officer) that supervises</p>

requirements when there are changes in policy or regulation which may cause the company to incur fines and/or prevent renewal of license to operate in specific site.	Customers	the environmental compliance of the various operating sites and renewal of their operating licenses as needed.
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<i>Identify the opportunity/ies related to material topic of the organization</i>  No identified material opportunities.	Presently not a material topic by the organization.	The Company has a designated PCO (Pollution Control Officer) that supervises the environmental compliance of the various operating sites. The Company constantly reviews and identifies opportunities in this topic through the inputs of the PCO.

## SOCIAL

### Employee Management

#### Employee Hiring and Benefits

##### Employee data

Disclosure	Quantity	Units
Total number of employees <sup>5</sup>	99	
a. Number of female employees	52	#
b. Number of male employees	47	#
Attrition rate <sup>6</sup>	15	rate
Ratio of lowest paid employee against minimum wage	1.00	ratio

##### Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	100%	100%
PhilHealth	Y	100%	100%
Pag-ibig	Y	100%	100%
Parental leaves	Y	8%	2%
Vacation leaves	Y	73%	53%
Sick leaves	Y	17%	4%
Medical benefits (aside from PhilHealth))	Y	83%	87%

<sup>5</sup> Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

<sup>6</sup> Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

Housing assistance (aside from Pag-ibig)	indirect	46%	45%
Retirement fund (aside from SSS)	Y	4%	
Further education support	N		
Company stock options	N		
Telecommuting	Y	23%	6%
Flexible-working Hours	Y	77%	94%
(Others) Bereavement Leave	Y	4%	4%

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>Availability of Employee benefits directly impacts the Company's employees well-being and towards their productivity and performance to the day to day task.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company employee handbook provides information pertaining to the various employee benefits, their eligibility criteria, mode of availment, and related topics.</p> <p>The Human Resources Department assists the eligible employees to avail of these benefits when applicable.</p>
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Human resource risk:</p> <ul style="list-style-type: none"> <li>- When required talent and expertise (industry-wise) in the workforce is not acquired or developed</li> <li>- When performance appraisal is not timely performed and properly managed</li> <li>- Compensation/Reward system if not aligned with Performance Evaluation</li> <li>- Workforce requirement is not properly identified and budgeted</li> <li>- Uncompetitive employee benefits compared to prevailing market condition may limit the recruitment and retention of qualified employees leading to discontinuity of the projects and priority actions; delay in implementation of growth plans.</li> </ul>	<p>The Human Resource department conducts an annual review of these benefits to assess their suitability and applicability in the present times, and adjust when necessary, within the cost limit that the company can provide.</p> <p>In addition, the HR department leads and manages the performance evaluation for the entire company, including objective setting.</p>

What are the Opportunity/ies Identified?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Competitive employee benefits will boost the recruitment and retention of qualified and performing employees leading to Faster revenue growth; improve service reliability; enhance teamwork among departments</p>	<p>The Human Resource department conducts an annual review of these benefits to assess their suitability and applicability in the present times, and adjust when necessary, within the cost limit that the company can provide.</p> <p>The Company explores ways to grow and retain talents among the Millennial employees by understanding their career objectives and priorities in the workplace.</p>

#### Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	179	hours
b. Male employees	42	hours
Average training hours provided to employees		
a. Female employees	3.4	hours/employee
b. Male employees	0.9	hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>People resource is valuable to the sustainability of the business. SBS provides appropriate training to the employees relevant to their job to enhance their competency, improve productivity or their skill level, and safety awareness across the different departments for the employees' professional growth.</p> <p>The people development will also benefit the organization, and our business partners through improve communication, efficient transactions and delivery of services.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company is committed to the training and development of its entire workforce so that they will gain the necessary skills to reach their full potential. Training needs are identified through analysis, annual performance appraisal and request from employees. The general policy is covered through the Human Resource Policy Manual.</p> <p>All trainings to be provided to employees must be in accordance to the gap of skill set that needs to be filled in as identified by the head of the department that is required to sustain and to enhance the competency and productivity of an employee.</p>

What are the Risk/s Identified?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Employee retention and empowerment risk - Training and development programs may be limited at times due to manpower and budget constraints.</p> <p>Nevertheless, trainings that are mandatory for regulatory compliance are implemented without delay.</p>	<p>All internal trainings provided by the Company and mandatory trainings for regulatory compliance are of no cost to the employee.</p> <p>External courses and professional qualifications may be fully or partly funded by the Company depending on the nature of the training.</p>
What are the Opportunity/ies Identified?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Opportunities identified includes:</p> <ul style="list-style-type: none"> <li>- Improve employee retention and their morale and confidence</li> <li>- Improve productivity brings economic benefit to the company and all stakeholders.</li> </ul>	<p>The Company continues to review its employee training and development plan to assess its relevance and impact on the internal and external organizations, and identify any need for modification of its policy or implementation.</p>

#### Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	0	%
Number of consultations conducted with employees concerning employee-related policies	1	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>Due to the relatively small number of employees in the organization, the labor-management relations is harmonious where every employee has direct access to the management.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company employee handbook is available to all employees as reference material on the different Company policies.</p> <p>The Company conducts formal consultation with employees whenever there is a material amendment on the employee-related policy.</p>
What are the Risk/s Identified?	Management Approach

<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Not considered material topic of the organization today due to size of organization and existing set-up.</p>	<p>The HR department has an open door policy to listen and address any employee concern.</p>
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Not considered material topic of the organization today due to size of organization and existing set-up.</p>	<p>The HR department has an open door policy to listen and address any employee concern.</p>

### Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	53	%
% of male workers in the workforce	47	%
Number of employees from indigenous communities and/or vulnerable sector*	0	#

\*Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>The Company has no gender nor age group preference in its employee hiring process. Management decides on the basis of qualification, competency, experience and candidate's suitability to the position applied for.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company supports and promotes a diverse and inclusive workplace. Diversity in the business environment is about more than gender, race, and ethnicity. It includes employees with diverse religious and political beliefs, education, socioeconomic backgrounds, sexual orientation, and cultures.</p> <p>The Company's employee hiring process goes through 3 different steps in its hiring decision to prevent any bias or preference by any one person or officer of the company.</p>
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
<p><i>Identify risk/s related to material topic of the organization</i></p>	<p>The HR department has an open door policy to listen and address any employee concern.</p>



Not considered material topic of the organization today based on its existing employee profile.	
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
<i>Identify the opportunity/ies related to material topic of the organization</i>  Not considered material topic of the organization today based on its existing employee profile.	The HR department has an open door policy to listen and address any employee concern.

## Workplace Conditions, Labor Standards, and Human Rights

### Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	170,863	Man-hours
No. of work-related injuries	0	#
No. of work-related fatalities	0	#
No. of work related ill-health	0	#
No. of safety drills	0	#
<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>	
<i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i>  <i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i>  Safety is of paramount importance to SBS. This applies to the occupational health and safety of all our employees and the product safety with our various business partners – logistic providers, customers, and suppliers.  In 2020, the Company arranged an external seminar where the HR and compliance regulatory team have attended in relation to Occupational safety and health.	<i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i>  The Company is committed to providing a healthy and safe work environment for its workers and preventing occupational illness and injury. To express that commitment, it has adopted various policies concerning the health, safety, and welfare of employees.  The Company's Human Resource Policy Manual includes policy related to Safety in the Workplace.  This includes the annual review and elimination of occupational hazards, provide protective wear and/or equipment and proper training in handling machinery and materials of concerned employees.  The Company also ensures compliance with government mandate on workplace safety regulations.  In 2020, in light with the IATF recommendation to mitigate local transmission of COVID 19, the	

	<p>Company had implemented a number of initiatives that corresponds with the varying level of community quarantine restrictions such as providing employee shuttle services; daily face mask provision; regular disinfection of the office work stations; supply of isopropyl alcohol and face shields to employees.</p> <p>The Company is committed to promote a workplace that is free from alcohol and drug abuse as it is harmful to the health, safety and work performance of employees.</p>
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Health and Safety risk</p> <ul style="list-style-type: none"> <li>- Chemical products that are not handled and stored properly may cause employee injury at the workplace and even fatality</li> <li>- Internal hazards associated with fire may affect the workplace and surrounding communities, or possible act of terrorism.</li> <li>- Warehouse and office unsafe practices in handling equipment and company facilities may pose injury, health risk or fatality.</li> </ul>	<p>The Company has assigned occupational health and safety officers and trained first aiders to ensure the safety of its employees by identifying, assessing and preparing for potential emergency situations in the workplace and minimize its impact through prevention and preparedness to implement emergency plans and response procedures.</p> <p>A Health and Safety committee was organized to oversee the safety programs of the company and to effectively monitor and ensure implementation of all existing safety standards in place.</p> <p>No personnel can be deployed to critical processes in our warehouse operation without undergoing our internal mandatory safety training.</p> <p>In warehouse sites that are is considered with potential fire risk, the Company partners with fire brigade volunteers from the community and provides a standby fire truck for use in their regular trainings and for emergency response.</p>
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>The Company can implement documentation of all “near miss” incidents so that it can be used not only for immediate improvement of the Company processes related to safety, but also use as examples in the employees’ training program.</p>	<p>The Company Safety officer conducts annual warehouse handling and storage training to our warehouse personnel including updates on safety practices and regulation.</p>

Possible relocation of storage facilities to areas with lower rental cost but with comparable road network accessibility.	When the location of Company's storage facilities is evolving into a residential community, the Company will study a suitable relocation site to mitigate health and safety risk for the surrounding community.
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#### Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	N	
Child labor	N	
Human Rights e.g. Harassment and Bullying	Y	The Company is committed to safeguard its employees from harassment of any form. It is dedicated to provide a workplace free from discrimination, prejudices, malicious acts and inhumane treatment. Abusive behavior is never tolerated and is dealt with in accordance with Company policies and legal proceedings as necessary. (Employee Health, Safety and Welfare Manual)

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>Compliance with the labor laws is important to the Company and ensures the welfare of all its employees. All employees are also made aware of their human rights at the work place.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company ensures that it is compliant with the labor laws, and all employees have direct access to the Human Resources Department to raise any concern or issues in relation to their employment and with their co-workers.</p>
What are the Risk/s Identified?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Regulatory compliance risk - Although there is no occurrence of any child labor or forced labor in the Company, there is a risk of potential mistake in the</p>	<p>The Company will continuously review and revise, as necessary, its Employee Manual to ensure</p>

<p>decision of a hiring manager in the future if this is not formally written as a policy.</p> <p>Human rights and ethics risk – Should there be Company policies and practices that are not aligned with basic human rights and business ethics which may cause employee dissatisfaction and/or labor issues.</p>	<p>compliance with the latest labor regulations and promote healthy and productive working environment.</p> <p>In addition, the Company will update its policies to address any form of child labor and forced labor in the Company.</p> <p>The hiring process of the Company includes a detailed qualifications requirement from the requesting department. This can easily mitigate the risk of any child labor or forced labor at the onset of the recruitment process.</p>
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Compliance with labor laws and human rights is essential to a healthy workplace environment to retain employees.</p>	<p>HR department is constantly apprised of updates on local labor laws and human right policies for the workplace.</p>

### Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

\_\_\_\_\_ NO \_\_\_\_\_

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	N	
Forced labor	N	
Child labor	N	
Human rights	N	
Bribery and corruption	N	
<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>	
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>An efficient supply chain management is critical in our company's distribution of chemical products to our customers nationwide.</p> <p>We are primarily focused on the supply chain flow from arrival of commercial products at the port,</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company has not established a formal supplier accreditation policy, although stringent standards of qualification have been set in our sourcing of products for distribution in the</p>	

clearing of cargo, delivery, storage and handling in our warehouses, and final delivery to our various customers.	Philippine market. A formal supplier accreditation policy will be put in place in 2021.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
<i>Identify risk/s related to material topic of the organization</i>  1. Counterparty risk <ul style="list-style-type: none"> <li>- Product shortages or non-deliveries of products due to failure by our suppliers to perform their commitments affects the Company and our customers' business operations.</li> </ul> 2. Outsourcing & Legal risks <ul style="list-style-type: none"> <li>- Potential risk of being included in lawsuit for potential labor and human rights violation by any employee of the Company's service provider.</li> </ul>	The Company keeps and maintains good relationships with a number of suppliers for its sourcing (at least from 2 different countries) and does not depend on a limited number of suppliers for its chemical procurement.  The same multi-supplier concept is also implemented with our service providers in logistics and deliveries, customs brokerage, and other supplies.  A formal supplier accreditation policy will be put in place in 2021 with the annual assessment of suppliers' performance to include these social topics.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
<i>Identify the opportunity/ies related to material topic of the organization</i>  We can include in our supply chain management a formal supplier accreditation process and include the sustainability topics relevant to the organization.	A formal supplier accreditation policy will be put in place in 2021.

## Relationship with Community

### Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)

Head office and Warehouse operation	Quezon City	The Company provides equal employment opportunity including those from the vulnerable sector when a candidate is considered qualified and fit for the job.	N	Access to employment opportunities and support livelihood of community based public transport services  Workplace related risk inherent to industrial operation	Availability of safety officers and emergency response team
Warehousing	Mandaluyong	The Company provides equal employment opportunity including those from the vulnerable sector when a candidate is considered qualified and fit for the job.	N	Access to employment opportunities  Workplace related risk inherent to industrial operation	Fire truck available for dispatch or use by the community

*\*Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)*

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: \_\_\_\_\_

Certificates	Quantity	Units
FPIC process is still undergoing	Not applicable	#
CP secured	Not applicable	#

What are the Risk/s Identified?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>The shift of the local community where we operate from industrial area to increasing residential population may increase our operational cost and inherent risk of being in a highly populated area.</p>	<p>The Company has policy to maintain asset light strategy and leases its warehouse requirement so that it has flexibility to locate and re-locate to industrial areas that is most cost-effective for operations and logistic/supply chain in delivering the goods to our customers.</p>
What are the Opportunity/ies Identified?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Whenever available, the company sources its required services and personnel from the local community.</p>	<p>The Company hiring policy takes into consideration the residential location of the applicants in consideration of the unnecessary stress brought about by daily commuting of the employees between their residence to the workplace.</p>

## Customer Management

### Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	Not available	No

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>This material topic directly impacts the Company's revenue growth and business operations as well as customers' supply chain operation.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company has an existing Quality System Procedure in Handling Product Returns, Complaints and Recall. This is the standard procedure that employees follow and a corresponding Corrective action and Preventive action (CAPA) is issued upon completion of the root cause of the problem.</p>

	In 2018, a 3-month customer satisfaction survey was conducted on walk in and pick up customers on voluntary participation basis but no similar survey was conducted in 2019 and 2020. A new survey will be conducted in 2021 and will be done on an annual basis.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Customer Satisfaction risk - Lost sales / non-retention of customers due to unsatisfactory customer service , poor product quality or delayed deliveries.</p>	<p>The Company will enhance its understanding of customers' satisfaction level and area of improvement through a structured survey in 2020-2021.</p> <p>With the implementation of the new ERP system, the Sales and Marketing Department has a digitalized tool to create database of customer's details which are significant to Customer Management (i.e. quotation, inquiries etc)</p>
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Increase customer satisfaction leads to higher sales revenue and increase market share</p>	<p>The Company will enhance its understanding of customers satisfaction level and area of improvement through a structured survey in 2021.</p>

#### Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	None	#
No. of complaints addressed	Not applicable	#

\*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p>



<p>The chemical products supplied by the company is being handled by our warehouse personnel, delivery truck personnel, customer's warehouse personnel, and customer's end-users depending on the usage of the product.</p> <p>The Company ensures proper handling and storage of the products in line with standard protocols on quality assurance and safety precautions for these products as defined in the Material Safety Data Sheet.</p>	<p>The Company maintains a catalogue of Material Safety Data Sheets (MSDS) for all the chemical products that it distributes to the market, and regularly request from its supplier for updated version as it is published.</p> <p>The MSDS are shared with first time buyers.</p>
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
<p><i>Identify risk/s related to material topic of the organization</i></p> <ol style="list-style-type: none"> <li>1. Health &amp; Safety risk <ul style="list-style-type: none"> <li>- Improper use or poor knowledge in handling and storage of the chemical products may have detrimental effect on the user's health and safety.</li> </ul> </li> <li>2. Products Use risk <ul style="list-style-type: none"> <li>- Products are supplied in varying quality standards (e.g USP, BP grade, Food grade, technical grade, laboratory reagent grade) and of different shelf life duration. Inappropriate use of a product not intended for the right application or use past its shelf life without being re-tested for quality conformity may pose risk on health and safety.</li> </ul> </li> </ol>	<p>The Company sees to it that our delivery staff and the customer's warehouse personnel receiving the material is provided with an updated copy of the Product Material Safety Datasheet and that it is customer's responsibility to circulate this Material data sheet within their organization.</p> <p>The Company, whenever applicable, reviews with the customers their requirement specificity so that only the appropriate products and supplies are maintained within their rated shelf life. It also provides the customer with the supplier's test method, when requested, as part of customers' validation of test protocol and comparative results.</p>
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Proper handling of the chemical product eliminates any untoward incident or complaint from customers, and consider the Company as a reliable business partner.</p>	<p>The Company regularly reviews its product portfolio. Appropriate labelling and product declaration are made whenever these becomes classified in any hazardous category.</p>

#### Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	none	#

*\*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>As the Company is not in B to C market, and products are not directly used by consumers, this topic has not been considered material in the initial exercise.</p> <p>The chemical products supplied by the company are mainly raw materials for manufacturing or process chemicals use by industrial users in their various processes. Prior to its use, these products are validated by the customers' quality department or research and development department.</p> <p>Labelling is in accordance with industry standards and in some instances, additional labelling information is added to meet customer requirements.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company provide documents such as Product data sheets in accordance with the chemical manufacturer information.</p> <p>The Company maintains a catalogue of Product Data Sheets from the different manufacturer that are provided to first time customers. This ensures proper product awareness and its applicable usage.</p> <p>Any local adaptation of our supplier's marketing materials are requested to be reviewed by the manufacturer before printing.</p> <p>The Company also provides Material Safety Data Sheets (MSDS) issued by the manufacturers for all the chemical products that it distributes which gives information such as proper handling, storage, transport, and disposal of the product.</p>
What are the Risk/s Identified?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Labels in the outer packing from the suppliers maybe damaged during transport if not properly arranged by the manufacturers for transport.</p>	<p>The Company's Manual of Quality Warehousing Systems Procedures includes the incoming and outgoing process and verification of product labels.</p>
What are the Opportunity/ies Identified?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>No opportunity is identified on this topic at the moment.</p>	<p>The Company will constantly review our approaches on this topic.</p>

### Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	none	#
No. of customers, users and account holders whose information is used for secondary purposes	0	#

\*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>Impact is on Customers' and business partners' personnel data and product usage information.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company considers our customer data and product usage information as competitive edge in our business, and thus is kept confidential with limited access to assigned employees, and is not shared with other companies.</p> <p>Employees that have access to confidential information are covered with confidentiality agreement in their employment contracts, and are briefed accordingly of this Company policy.</p>
What are the Risk/s Identified?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Information Security risk - Breach of data or unauthorized access of data</p> <p>Regulatory &amp; Legal risk – Any unauthorized use of customer personal information obtained from the company exposes the company to fines/penalties and possible litigation.</p>	<p>The Company will regularly assess its handling of its customer database to ensure that it is protected from unauthorized access and use.</p>
What are the Opportunity/ies Identified?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Increase customers' trust and confidence to our organization</p>	<p>The Company will regularly assess its handling of the customer database to ensure that it is protected from unauthorized access and use.</p>

## Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>Breach of data will impact the company's business operation, trade secrets, suppliers' information, business partners' details and customers' privacy.</p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>The Company protects restricted, confidential, or sensitive data from loss to avoid reputation damage and minimize adverse impact on our customers. The protection of data in scope is a critical business requirement.</p> <p>The Company conducted in 2020 an audit of its data security infrastructure and protocol to identify gaps and design an action plan to provide effective deterrent against any attempt to breach its data or against accidental leak.</p>
What are the Risk/s Identified?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Information Security risk:</p> <ol style="list-style-type: none"> <li>1. IT security attacks such as hacking or errors may lead to security breach or data loss</li> <li>2. New ERP system capabilities are not optimized or totally not used</li> </ol>	<p>The Company conducted in 2020 an audit of its data security infrastructure and protocol to identify gaps and design an action plan to provide effective deterrent against any attempt to breach its data or against accidental leak.</p> <p>The Company's Management requires all process owners to use ERP in the daily transactions and reporting. Continuous employee training, is also held as needed.</p>
What are the Opportunity/ies Identified?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Enhance company reputation with stakeholders on ability of company to secure the data;</p>	<p>The Company conducted in 2020 an audit of its data security infrastructure and protocol to identify gaps and design an action plan to provide effective deterrent against any attempt to breach its data or against accidental leak.</p>

## UN SUSTAINABLE DEVELOPMENT GOALS

### Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Chemical products for road infrastructure	Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Potential increase in plastic pollution as most packaging are in plastic drum; or improper disposal of packaging material.	Provide information to Customers on proper disposal of product and its packaging material as defined in the material safety data sheet.
Products for water and wastewater treatment	Goal 6: Ensure availability and sustainable management of water and sanitation for all	Potential increase in plastic pollution as most packaging are in plastic drum; or improper disposal of packaging material.	Provide information to Customers on proper disposal of product and its packaging material as defined in the material safety data sheet.
Chemical raw materials	Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Potential increase in plastic pollution as most packaging are in plastic drum; or improper disposal of packaging material.	Provide information to Customers on proper disposal of product and its packaging material as defined in the material safety data sheet.
Chemical Products classified under PCL and CCO of DENR	Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Products is classified as potentially pose unreasonable risk to public health, workplace, and the environment if not used in correct manner	Management complies with regulatory requirements and ensures that these products are sold only to authorized users

*\* None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*