

# The 2021 Sustainability Report

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**SBS PHILIPPINES**  
CORPORATION

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## Message from our Chairman

“

*“Sustainability” these days is very much THE buzzword in business circles – and rightly so given the demand from stakeholders for companies to justify their existence by more than just producing profits for its owners. It is with great pride then that I introduce you to the very first Sustainability Report of SBS Philippines Corporation (“SBS”) where our approach to the issue is now formally documented.*

*As you read the report, I would like to point out that sustainability is more than protecting the environment for SBS. As one definition put it, sustainability refers to the “ability to endure over the long-term”. And to do so, we at SBS believe that we have to pay attention to criteria that refer to Environment – Social – Governance (“ESG”) standards. These standards properly capture the impact that our company has on society. As such, you will note that we place particular emphasis on:*

- *Climate change – not only compliance with laws and regulations and increasing the energy efficiency of our business processes, but also introducing chemical products that will enhance the green credentials of our industrial customers as well;*
- *Health and safety – providing safe working environments for our customers, employees, and the communities where we operate; and*
- *Governance – instituting succession planning and better risk management to prepare for greater uncertainty and volatility in our markets.*

*Some readers may find our maiden sustainability report simplistic. That is only because, admittedly, we are just beginning to get used to tracking and understanding the various components of ESG unlike other publicly-listed companies that have more resources and began their journeys much earlier than SBS. Nonetheless, we are committed to take this journey not only because we are expected to but because it makes good business sense to do so in the long-run. At SBS, we believe that when we take care of our environment, stakeholders, and ourselves, profitability and growth are sure to follow.*

”

**Ricardo Nicanor N. Jacinto**  
CHAIRMAN OF THE BOARD



## Vision, Mission and Values

### OUR COMPANY

SBS Philippines Corporation (the "Company") is an importer, wholesaler and distributor of wide range of chemical products serving a diverse set of industries which includes food and beverage, industrial and detergents, feeds and agriculture, water treatment, pharmaceuticals and personal care, building & constructions and mining & minerals. As a full line chemical distribution company, it provides for a one-stop-shop business solution for various chemical requirements of its market customers.

The Company engages in multiple sourcing from different chemical producers and sells a broad range of chemical products and ingredients allowing choice and convenience for a more efficient and economical sourcing of various chemical needs of our customers.

### OUR VISION

*"To be the best-in-class chemical raw materials provider and the chemical supplier of choice."*

### OUR MISSION

Establish a legacy of growth and value creation for all stakeholders:

- By generating adequate returns for our investors and shareholders
- By meeting the sourcing requirements of our customers
- By improving market penetration for our suppliers
- By ensuring the safety and well-being of our employees
- By contributing to the resource efficiency and environmental sustainability for the community

### OUR GOALS

We strive to achieve this mission by:

- Distributing a wide-range of top quality and cost-efficient products.
- Extending reliable customer service at all times.
- Nurturing strong, long-term relationships with suppliers and customers.
- Constantly seeking new markets and new opportunities.
- Continuously improving our internal business processes and systems.

### OUR CORE VALUES

- Honesty and Integrity
- Hard work and Perseverance
- Productivity and Excellence
- Customer Satisfaction
- Loyalty and dedication
- Faith in God Almighty



## Organizational Profile and Business Activities

SBS Philippines Corporation (the “Company” or “SBS”) - formerly known as Sytengco Philippines Corporation - was incorporated on 17 July 2001. The change to its present name was approved by the SEC on 18 November 2014. On 10 August 2015, the Company became a publicly listed company and was admitted to the Main Board of the Philippine Stock Exchange.

The Company’s core chemical distribution business offers a comprehensive selection of chemical products that services a wide range of industries such as, but not limited to: (i) food ingredients, (ii) industrial, (iii) agribusiness, feeds and veterinary care, (iv) pharmaceutical, and (v) personal care and cosmetics. It also provides value-added services to its customers by providing logistics management in sourcing, procuring, warehousing and transporting chemical products and materials. In addition, the Company, together with its subsidiary, SBS Holdings and Enterprises Corporation, has investments in property related assets and businesses through minority shareholdings in several associated companies.

The Company has the following industry memberships:

1. Philippine Rubber Industries Association, Inc. (PRIA)
2. Philippine Chamber of the Pharmaceutical Industry, Inc. (PCPI)
3. Chamber of Cosmetics Industry of the Philippines, Inc. (CCIP)
4. German-Philippine Chamber of Commerce and Industry, Inc. (GPCCI)
5. Samahan sa Pilipinas Ng Mga Industriyang Kimika (SPIK)
6. Philippine Association of Chemical Suppliers, Inc. (PACSI)

The Company adheres to applicable regulatory measures and standards implemented by various government institutions.

In addition, the warehouse operations adhere to good warehousing practices in its pursuit of its mission and goals in its product and service delivery to stakeholders, especially its customers. SBS also operates a Halal certified warehouse to store certain raw materials for its customers in the food industry.

### The Core Chemical Distribution Business



#### Food ingredients

We pride ourselves on our extensive and ever-expanding range of products which include sweeteners, stabilizers, emulsifiers, minerals, antioxidants, phosphates, vitamins, hydrocolloids, basic and functional ingredients, acidulants and preservatives.



#### Industrial

SBS Philippines Corporation has been supplying the needs of Philippine industries for 50 years. We understand that competitive pricing and superior quality for raw materials ensures that our clients’ products are amongst the best performers in their respective markets.

Whether our customers are big or small, established multinationals or local start-ups, we strive to provide them with our best service.



by the CG Committee require a majority vote among the independent directors for the motion to be approved.

The Nomination and Remuneration Committee (NomRem) is responsible for evaluating the qualifications of all candidates nominated for election to the Board of Directors as well as the effectiveness of the processes and procedures for the nomination, election or replacement of a director. It also reviews the effectiveness of the directors through an annual appraisal process. If necessary, it recommends areas for strengthening or development for directors. The Committee likewise helps oversee the Company's human capital strategy especially with regards to succession planning and competitiveness of its compensation and benefits. The Committee is led by the Chairman of the Board and is presently composed of four (4) directors including the lead independent director.

The Audit and Risk Oversight Committee (ARO) assists the Board in fulfilling its oversight responsibilities for the financial reporting process, enterprise risk management and systems of internal control, the external audit process, and the Company's process for monitoring compliance with laws and regulations. It is also responsible for reviewing the independence and objectivity of the external auditor and recommending the appointment of the independent auditor for the ensuing year to the Board, subject to approval by the shareholders during the annual stockholders' meeting. The Committee is composed of five (5) directors, three of whom are independent directors, plus a non-executive director and the director-CFO who is an ex-officio, non-voting member.

The Related Party Transaction Committee (RPT) assists the Board in fulfilling its oversight responsibilities in the implementation and review of the RPT policy of the Company for internal control purposes as well as compliance with all relevant laws and regulations. The Committee is composed of three (3) directors, all of whom are independent directors.

The Finance and Investment Committee (F&I) assists the Board in the performance of its oversight function to ensure that all projects and investment proposals and their funding requirements are : a) consistent with the business strategy of the Company; b) made within the approved policies and budgets for said projects; and c) meet the required hurdle rates and other financial metrics prior to submission to the Board for approval and then subsequently monitor its performance on behalf of the Board after the investments have been made. It is composed of five (5) directors, two (2) of whom are independent directors. A valid quorum for the committee requires the presence of at least one (1) independent director.

## About This Report

### Reporting Scope and Boundary



The 2021 Sustainability Report (the "Report") is the first comprehensive report of SBS on the Company's sustainability performance as of and for the year ended December 31, 2021, unless otherwise indicated.

The Report covers the operations and employees of SBS Philippines Corporation excluding its subsidiary SBS Holdings and Enterprises Corporation and associated companies. We have

considered the following stakeholders in our assessment of key material topics: customers, suppliers, employees, shareholders, regulators, and the local communities where SBS has operations.

All financial data and general information about the business found in this report have been disclosed in our 2021 Annual Report. Internal reviews and verification processes have been conducted to ensure the accuracy of the non-financial information presented in this report. We have not sought external assurance for this report.

## Economic Performance Boundary

The economic performance data presented in this report is taken from the financial statements as of and for the year ended December 31, 2021 covering SBS Philippines Corporation.

## Reporting Approach

The SBS Sustainability Core Team (the “Core Team”) developed a framework using the principle of Materiality to identify the key material topics that are considered to have a significant impact on the Company’s operations and its various stakeholders using both qualitative and quantitative metrics that were gathered from internal and external sources.

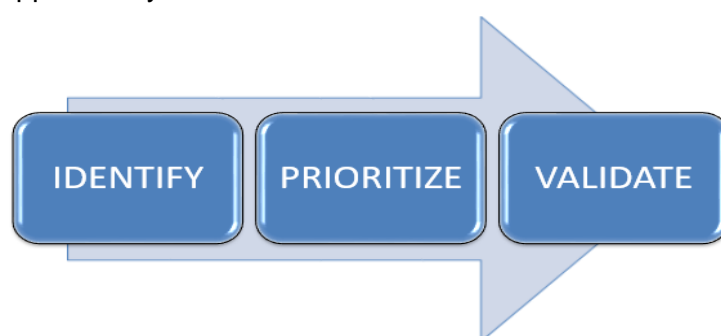
## Sustainability Reporting Guidelines and Standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option, and the sustainability reporting guide provided by the Philippines SEC in Memorandum Circular No. 4, series of 2019.

## Materiality Assessment

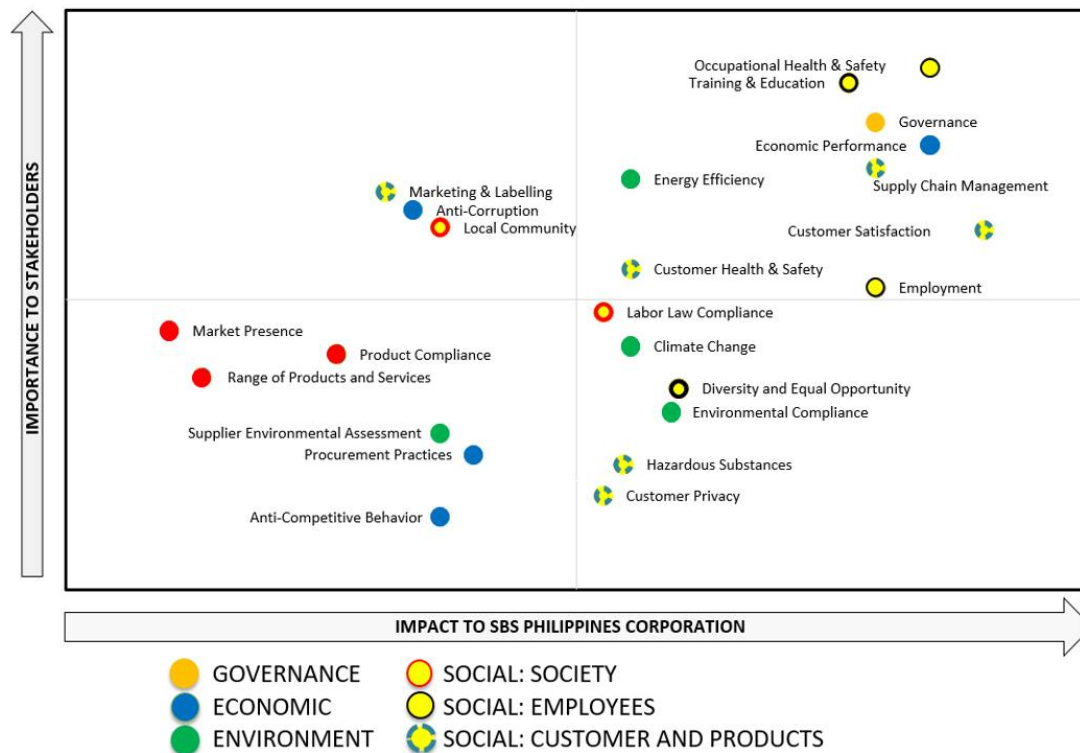
In 2021, the Core Team conducted a series of workshops and internal review processes to generate a list of potential material topics and a list of stakeholder groups. Based on the feedback generated from these activities, the Core Team identified two (2) criteria that would determine whether a topic is material to the Company: its importance to stakeholders and the significance of impact of SBS (in terms of economic, environment, social and governance).

From a list of 34 potential topics, the following are the governance, economic, environmental and social aspects that have emerged as material and important to various stakeholders after being evaluated and prioritized by the Core Team and validated and approved by the Executive Committee.





## Materiality Matrix Chart



## Our Material Aspects

Category	Key Material Topic
Governance	Governance
Economic	Economic Performance Anti-Corruption
Environment	Climate Change Environmental Compliance Energy Efficiency
Social-Employees	Employment Training and Education Diversity and Equal Opportunity Occupational Health and Safety
Social-Society	Local Community Labor Law Compliance
Social-Customers and Products	Customer Health and Safety Customer Satisfaction Marketing and Labelling Customer Privacy Supply Chain Management

## Stakeholders Engagement

Our Sustainability approach places primary importance on the sustainability issues of concern of our stakeholders.

Stakeholders are considered important contributors and/or influencers in the implementation of our strategies and attainment of our objectives. Their feedback helps us develop our initial materiality matrix and define our targets.

The Company will strengthen its engagement with the stakeholders through various activities and channels and with variety of frequency depending on these activities, which include, but are not limited to the following:

Stakeholders	Stakeholders Engagement	Frequency
Customers	<p>SBS nurtures a strong, long-term relationship with its customers and it is the Company's goal to extend reliable customer service at all times.</p> <p>SBS engages with its customers through:</p> <ul style="list-style-type: none"> <li>customer satisfaction surveys that generate customers' feedback on SBS products and services; and</li> <li>regular customer calls and visits, exchange of information and technical cooperation.</li> </ul>	<p>ANNUAL</p> <p>DAILY / AS NEEDED</p>
Employees	<p>Ensuring the safety and well-being of employees is important to SBS, especially with regard to the types of products it handles. Effective engagement with employees is a prerequisite for the Company to achieve its targets, and we do this through:</p> <ul style="list-style-type: none"> <li>a Performance Management System that includes a review of employee training and development paths in the organization;</li> <li>regular meetings of the Health and Safety Committee which focus on employees' health and work safety issues.</li> </ul>	<p>ANNUAL</p> <p>MONTHLY</p>
Shareholders	<p>SBS is committed to generate competitive returns for its investors and shareholders, and seeks to establish regular lines of communication with them through:</p> <ul style="list-style-type: none"> <li>Annual Shareholders' Meeting:</li> <li>announcements, press releases and updates through the website</li> </ul>	<p>ANNUAL</p> <p>QUARTERLY AS NEEDED</p>

	<p>www.sbsph.com and on the PSE website <a href="https://edge.pse.com.ph/">https://edge.pse.com.ph/</a>; and</p> <ul style="list-style-type: none"> <li>the Investor Relations Office which can be contacted through email <a href="mailto:ir@sbsph.com">ir@sbsph.com</a>.</li> </ul>	
Suppliers	<p>SBS collaborates with its suppliers to seek new markets and opportunities as well as improve penetration of existing markets. The Company continuously engages with them through:</p> <ul style="list-style-type: none"> <li>Supplier Information forms that evaluate their reliability in providing quality products and services for SBS; and</li> <li>collaboration and constant communication to ensure alignment of each party's expectations and actions.</li> </ul>	<p>ANNUAL</p> <p>DAILY / AS NEEDED</p>
Regulators	<p>The Company conducts regular dialogues with, and participates in seminars and workshops conducted by various regulating agencies to keep-up-to-date with any changes in rules and regulations that affect the business.</p> <p>SBS endeavors to comply with all the compliance requirements imposed by the different regulatory bodies in pursuit of excellence in its business operations.</p>	<p>ANNUAL</p>
Local Community	<p>SBS engages with the communities where it operates in through local government units and various social organizations. The Company aims to be a good corporate citizen by aiding the development of these communities in the areas of health and wellness, education and by providing assistance to those in public service.</p>	<p>ANNUAL / AS NEEDED</p>

## Sustainability Report Feedback

We welcome feedback from all stakeholders. Kindly send your comments, questions or suggestions relating to this report to [sustainability@sbsph.com](mailto:sustainability@sbsph.com)

# Our Strategy and Performance

## GOVERNANCE

### Corporate Governance

#### Objective

SBS believes that the trust of its shareholders and other stakeholders is fundamental to the business and is the source of success of the Company. We are committed to preserve this relationship of trust by promoting a strong corporate governance culture and framework that is anchored on transparency and accountability, competent leadership, effective internal controls, and prudent risk management.

#### Management Approach

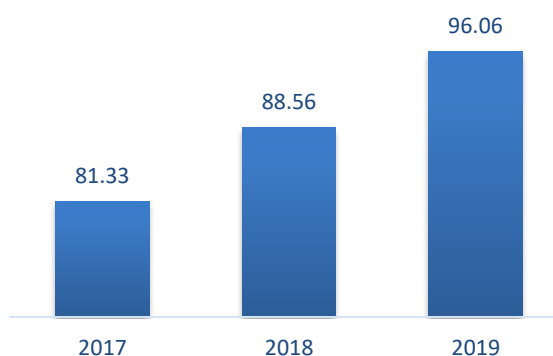
We have adopted the Code of Corporate Governance for Publicly Listed Companies issued by the Securities and Exchange Commission. Our Manual on Corporate Governance is reviewed annually by the Corporate Governance Committee and any revision(s) is/are endorsed to our Board of Directors for approval. Details about our overall corporate governance practices can be found in the Corporate Governance Report section.

#### Performance Highlights

##### *ASEAN Corporate Governance Scorecard Performance*



##### *SBS Philippines Corporation 3-Year ASEAN CG Scorecard Results*





SBS was awarded the prestigious Golden Arrow award by the Institute of Corporate Directors (“ICD”) in 2021. The award was given to the top performing publicly listed companies in the Philippines based on corporate governance best practices found in the ASEAN Corporate Governance Scorecard (“ACGS”) for the year 2019. ICD is the official Philippine representative of the Securities and Exchange Commission to the panel of ASEAN corporate governance experts that administers the ACGS.

SBS will continue to uphold the principles of good corporate governance that are essential for business sustainability.

### Targets & Plans

To enhance the Company’s Corporate Governance practices as evidenced by SBS’s progressive improvement in the ACGS score.

## **ECONOMIC**

### **Economic Performance**

#### Objective

To create long-term sustainable value for our shareholders and the society.

#### Management Approach

SBS is working towards becoming a one-stop shop for products, solutions and services in the Philippine chemicals market. The business strategy in 2021 called for management to do the following:

1. Focus on reliable and delightful customer experience.
2. Integrate digitalization and data analytics into supply chain operations.
3. Increase organizational productivity and resource utilization.
4. Generate recurring income from its real-estate investments.

In response to the continuing challenges posed by the pandemic, employee health and safety efforts were intensified in 2021. Business continuity plans were also revisited to better prepare the organization to address different forms of risk and cushion their economic impact.

#### Performance Highlights

##### *Direct economic value generated and distributed*

	2021 (in PHP)		2020 (in PHP)		2021 vs 2020 (in PHP)
<b>Direct economic value generated</b>	1,023,319,574	100%	923,069,664	<b>100%</b>	100,249,910
<b>Direct economic value distributed:</b>					
• Operating cost and payments to suppliers	627,905,698	<b>61%</b>	623,156,919	<b>68%</b>	4,748,779
• Employee wages and benefits	35,481,522	<b>3%</b>	30,261,543	<b>3%</b>	5,219,979

• Dividends given to stockholders and interest payments to loan providers	123,674,153	12%	123,861,556	13%	(187,403)
• Government Taxes	55,790,900	5%	45,893,952	5%	9,896,948
• Community Investments	550,000	0.1%	1,020,024	0.1%	(470,024)
<b>Direct economic value retained</b>	179,917,301	18%	98,875,670	11%	81,041,631

SBS has not availed of any financial assistance, tax relief and tax credits, subsidies, grants, awards, royalty holidays and other forms of financial benefits from any government during 2021.

## Anti-Corruption

### Objective

Honesty and integrity are part of the core values of the company. The Company stands by its strong commitment to fair and equitable business practices and strong long-term relationships with its suppliers, customers, and other business partners.

### Management Approach

SBS has a Code of Business Conduct and Ethics that includes the policy against corruption. It is included in the employee orientation program and specific trainings are conducted to comply with anti-corruption laws and regulations. SBS has a zero-tolerance policy on employee misconduct related to corruption and strictly enforces disciplinary measures in this regard.

SBS also has a Conflict of Interest and Whistle-blowing policy that complements its Code of Business Conduct and Ethics.

### Performance Highlights

On January 12, 2021, the Human Resource Department (HRD) conducted an orientation on The Code of Business Conduct and Ethics for 33 employees consisting of both newly hired and current employees.

The orientation highlighted the Company's guiding principles which govern how its employees must conduct business dealings with one another as well with all its customers, suppliers and other business partners. This orientation has now been institutionalized by HRD to promote employee awareness and knowledge on anti-corruption practices.

#### *Training in 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	100	%
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	77	%

Percentage of employees that have received anti-corruption training	50%	%
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#### *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	#

#### Targets & Plans

To incorporate anti-corruption training and awareness into the company's employee training programs.

To measure the percentage of business partners that have acknowledged receipt of the communication regarding the company's anti-corruption policies and procedures.

## **ENVIRONMENTAL**

### **Climate Change**

#### Objective

The Company recognizes the need to manage the risks related to climate change and ensure that proper action plans are in place to mitigate or avoid potential hazards that they may pose to the organizations' operations and financial position.

#### Strategy and Performance Highlights

Risk assessment activities being performed by the Company to manage key risks and opportunities include, but are not limited to the following:

1. An Enterprise Risk Management or ERM policy was formalized by management and approved by the Board last May 2021. The ERM policy guides the entire organization in managing its risks including those related to climate change. The Risk Management team continually monitors the risk profile of the Company and the effectiveness of mitigating strategies to address the material risks faced by the organization. Internal audit, on the other hand, provides regular feedback to the ARO Committee on the adequacy and effectiveness of the risk management policies and practices of the organization, including recommendations for their improvement.
2. The creation and regular updating of a Risk Register which lists all the key risks faced by the organization. The Risk Management team and the Internal Audit team of the organization are monitoring the related action plans. Risks are being continually assessed using the Impact and Likelihood criteria which are also based from the ERM policy.
3. Incorporating an orientation on Risk Management into employee training and education programs to promote risk awareness, especially with regard to those

that will affect the Company's operations. The first session of the risk orientation training was conducted last October 2021. (see Employee training and education).

4. The use of available online platforms such as the Hazard assessment from GeoRisk PH by the Risk Management team to identify potential hazards to SBS warehouses. No significant and immediate hazards were identified in the team's latest report.

HAZARDS ASSESSMENT			
Location	Seismic	Volcanic	Hydro-Meteorological
<b>RH QUEZON CITY</b>	Prone on Ground Shaking up to Intensity 8	Prone on Ash fall; Nearest Active Volcano is Taal	Low Susceptibility on Flood
<b>JL QUEZON CITY</b>	Prone on Ground Shaking up to Intensity 8	Prone on Ash fall; Nearest Active Volcano is Taal	Low Susceptibility on Flood
<b>BMC MANDALUYONG</b>	Prone on Ground Shaking up to Intensity 8; High Potential for Liquefaction	Prone on Ash fall; Nearest Active Volcano is Taal	Low Susceptibility on Flood
<b>MALABON</b>	Prone on Ground Shaking up to Intensity 8; High Potential for Liquefaction; Prone to Tsunami (2 to 2.99 meters)	Prone on Ashfall; Nearest Active Volcano is Taal	High Susceptibility on Flood (1 to 2 meters of height; more than 3 days)
<b>MARILAO</b>	Prone on Ground Shaking up to Intensity 8; Moderately Susceptible for Liquefaction	Prone on Ashfall; Nearest Active Volcano is Pinatubo	Low Susceptibility on Flood

5. Developing energy consumption strategies to minimize greenhouse gas (GHG) emissions (see Energy).



6. Updating the Company's Business Continuity Plan regularly to ensure that any impacts or hazards caused by climate change are anticipated and proper response and recovery action plans are in place.
7. The development of key metrics to measure financial impacts and cost to the company of climate change is currently ongoing and will be reported in the succeeding years' Sustainability Reports.

## **Environmental Compliance and Hazardous Substances**

### Introduction

We operate in accordance with all applicable laws and regulations including, but not limited to, those concerning labor, employment, and the environment, health and safety.

### Management approach

The Company endeavors to stay up-to-date with new regulations or changes in legislation. Doing so enables SBS to anticipate and implement changes in its operations before these new regulations or laws take effect.



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 guidance following industry standards. Management regularly provides reports to the Board on the oversight and effectiveness of these procedures.

The Company's inventory is constantly monitored as to expiry dates and obsolescence. Any expired and/or obsolete inventories are noted for proper evaluation and disposal.

Management ensures that expired chemical inventories are disposed of in an environmentally safe manner. The Company has a designated Pollution Control Officer (PCO) that supervises the environmental compliance of the various operating sites.

The Company constantly reviews and identifies opportunities on this topic through the inputs of the PCO. The PCO also supervises the environmental compliance of the various operating sites and the renewal of their operating licenses as needed.

### Performance and Target

The Regulatory Department is responsible for the identification of environmental compliance requirements, following all relevant rules and regulations applicable to the company.

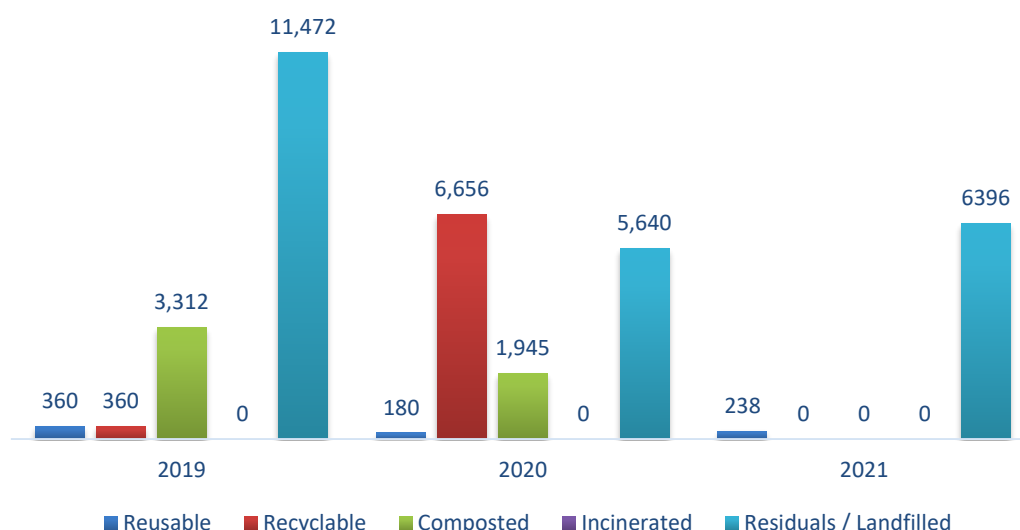


In 2021, SBS Philippines Corporation did not incur any fines nor non-monetary sanction related to non-compliance with environmental laws and regulations.

SBS Philippines is also fully committed to reducing and eliminating adverse impacts of waste materials on human health and the environment to support economic development and superior quality of life.

In 2021, it generated 238kg and 6,396kg of reusable and residual wastes, respectively.

*Total Solid Waste Generated, in kg*



There was no hazardous waste generated and transported throughout the reporting year. The Company's target is to observe all environmental laws and regulations in the future as well as continue conserving energy to help the environment.

## Energy Efficiency

Energy is a vital component of the daily operations of the Company's office, warehouse sites and supply chain. The organization's energy utilization practices have a direct impact on the environment.

### Objective

SBS aims to reduce its energy consumption, save on energy cost and minimize greenhouse gas (GHG) emissions.

### Management Approach

The Company has developed an energy management plan which focuses on initiatives to improve the Company's utilization of energy. Its operations consume energy mainly from electricity and fuel.

To significantly reduce its energy consumption, the Company has shifted to energy-efficient technologies such as (1) LED lighting systems to convert the conventional lighting systems, (2) inverter-type air-conditioning units to replace the old ACU models and (3) electric forklifts to replace the diesel-powered units. Its fleet of vehicle undergoes regular preventive maintenance and annual emission testing. The daily route of each vehicle is also optimized to lessen fuel consumption and emission.



The Company is gearing itself towards green energy by investing in renewable energy technology. In 2021, the Company had its first installation of solar-tied grid system which is projected to reduce the Company's electricity consumption source from the grid by up to 121,000 kWh annually.

In mid-2021, the SBS head office located in Quezon City went online with solar power. A comparison of the 2021 electric consumptions between periods when solar power was not yet available and when solar power was being utilized on site showed that

on average, the head office achieved a 48% (-6356 kWh) reduction on its monthly electric consumption.

Based on the annual energy consumption threshold set by the Department of Energy, SBS is classified as Other Designated Establishment (100,000 kWh but less than 500,000 kWh).

A designated establishment is required to submit compliance reports under the Energy Efficiency and Conservation Act of 2019. SBS submitted the following reports: (1) Annual Energy Efficiency and Conservation Report, (2) Annual Energy Utilization Report.

### Performance Highlights

#### *Energy consumption within the organization*

Disclosure	2021	2020	2019
Energy consumption (electricity), kWh	131,952	161,954	185,694
Energy consumption (diesel), GJ	1117	800	no data
Energy consumption (gasoline), GJ	35	82	no data

The 2019 electric consumption is regarded as the baseline data since it represents the Company's normal operation.

#### *Reduction on energy consumption in 2021*

Disclosure	vs. 2020	vs. 2019
Energy reduction (electricity), kWh	30,002	53,742
Energy reduction (diesel), GJ	N/A	-
Energy reduction (gasoline), GJ	47	-

Comparing the overall annual electric consumption, the 2021 consumption is 29% lower versus its 2019 consumption and 19% lower versus its 2020 consumption.

A reduction in diesel usage was not achieved in 2021 as the company continued to provide shuttle services to its employees as part of its COVID-19 response.

However, a 57% reduction in the gasoline consumption is attributed to the disposal of gas-powered vehicles by the last quarter of year.

### *Environmental Impact*

	vs. 2020	vs. 2019
Reduction on GHG Emissions (electricity), t-CO2	21.37	38.28
Estimated no. of trees planted per year	980	1756

\* Based on DOE's 2015-2017 National Emission Grid Factor of .0007122 t-CO2/kWh.

\* Per Arbor Day Foundation, 1 mature tree can absorb 0.0218 tonnes of CO2/year.

In addition to the foregoing, all lights and air conditioning units in the Company's office are turned off during lunch breaks to reduce energy consumption and minimize greenhouse gas emissions.

We also optimize the use of our diesel fuel forklifts and our electric lifts to reduce use of fossil fuel and reduce carbon emission.

### Targets and Plans

With the continuous use of solar power technology, the Company aims to reduce its electric consumption by at least 50%. The Company will also develop an efficient transport strategy to further reduce fuel consumption.

## **SOCIAL: EMPLOYEES**

### **Employment**

#### Introduction

SBS Philippines recognizes the importance of employees' expertise and commitment in building its success and competitiveness over the long-term. SBS employees strive to live by the Company's core values of honesty and integrity, hard work and perseverance, productivity and excellence, customer satisfaction, loyalty and dedication and faith in God Almighty with a sustainability perspective embedded in everything they do.

#### Management Approach

At SBS, we have policies on hiring, promotion, transfer, resignation, separation, employee benefits, trainings and development, among others, that are regularly reviewed by management. These policies have been created in accordance with industry practices and prevailing labor laws. Our commitment is to make all these efforts viable and evident is anchored on the following focused areas:

- *Promote employee retention*
  - The Company implements a mid-year and annual performance evaluation to help assess how its employees' productivity produces a more efficient and effective workforce. This exercise promotes more open communication among team members to openly discuss how set expectations can be aligned with the Company's goals, vision, mission and values.



- In October 2021, the first Town Hall Meeting was conducted as one of the employee retention strategies. The dialogue between the employees and top management reflects the Company's commitment to create an environment where employees feel safe in providing honest, candid feedback about their work and working conditions. This is one way of aligning management's expectations with the expected deliverables from employees to achieve the Company's business goals and strategies and maintain its competitiveness in the market.
- *Provide training and development programs*
  - The Human Resource Department (HRD) together with the Company's department managers regularly review and agree on the priority training programs for implementation in the current and succeeding year. Promoting increased participation by the SBS workforce in Company training programs will upgrade employee skills and competencies that should enhance their performance at work.

### Performance Highlights

For 2021, our year-end workforce count was 100 regular employees, 52% of which were female and 48% male. Our employee turnover was 18%, the majority of which were males.

A majority of the new hires in 2021 were also males.

Total number of new hires per category by gender, by age group				Total number of employee turnover per category by gender, by age group			
	Male	Female	Total		Male	Female	Total
Under 30	6	6	12	Under 30	5	3	8
30-50	11	1	12	30-50	8	2	10
Over 50	0	0	0	Over 50	0	0	0
Total	17	7	24	Total	13	5	18
%rate	17%	7%	24%	%rate	13%	5%	18%

\*per total number of employees at the end of the reporting period which is 100.

The Company provides employees with all government-mandated benefits. Additional benefits such as paid leaves, healthcare insurance, personal accident insurance, and provision for retirement are provided in accordance with Company policy.

The retirement plan of SBS provides for post-employment benefits to employees through an unfunded, non-contributory defined benefit plan that covers all regular full-time employees. The cost of employee benefits under the defined benefit plan is determined using the projected unit credit method.

As of December 31, 2021, actuarial valuations estimated net retirement liability at Php7.9 million and reflected in the company's statement of financial position under non-current liabilities. The Company has sufficient available resources to cover expected benefit payments from the plan as they retire.

SBS complies with all requirements of the Labor Code of the Philippines and the General Labor Standards of the Department of Labor and Employment (DOLE). For 2021, SBS remains compliant and has recorded zero incidents of non-compliance.

*Percentage of employees who availed their benefits for the year, by gender*

Benefits	Y/N	Female	Male
SSS	Y	100%	100%
PHLHEALTH	Y	100%	100%
PAG-IBIG	Y	100%	100%
Parental Leaves - Entitled	Y	8%	2%
Parental Leaves - Availed	Y	8%	2%
Vacation Leaves	Y	90%	63%
Sick Leaves	Y	37%	16%
Medical Benefits - HMO	Y	50%	42%
Housing Assistance	Y	29%	32%
Flexible Working Hours	Y	40%	44%
Telecommuting (WFH)	Y	23%	6%
Flexible Working Hours	Y	40%	44%
Bereavement Leave	Y	2%	2%
Retirement Fund Coverage	Y	100%	100%
Retirement Availed	Y	2%	4%
Personal Accident Insurance Coverage	Y	100%	100%

Number of employees availing of parental leave, by gender	Gender	
	Male	Female
Entitled to parental leave	1	4
Availed of parental leave	1	4

Number of employees returning to work after parental leave, by gender	Gender	
	Male	Female
Employees due to return after parental leave	1	2
Employees that return after parental leave	1	2
Return to work rate (%)	100%	100%

For the year 2021, SBS registered an increase of 117% man-hours in training and development of its people, which translate to a more proactive drive to strengthen the skills of the employees. These are a combination of webinars, in-house workshops, orientations and seminars.

An average of 5.3 man hours per female employee was used for training while male employees have logged an average of 4.3 man hours per employee. The capacity building efforts of the Company are quite evident in its focus to enhance people skills to improve efficiency and effectiveness at work.

Total number of hours of training, by gender	# of hrs.	Ave. hrs. of training
Female	275	5.3
Male	204	4.3
Total	479	4.8

Average hours of training per category, by employee	# of hrs.	Ave. hrs. of training
Executives	59	14.8
Managers and Supervisors	153	7.7
Rank and File	267	3.5
Total	479	4.8

## Targets and Plan

SBS recognizes that succession planning is a sustainable way to strengthen the Company's viability. It also encourages internal promotion when deemed necessary, particularly for deserving employees that have both the required skills, qualifications and right attitude. It is the Company's target to reduce the attrition rate for the coming years to below 15%.

Top management and the Board of Directors support the direction of the Company. The Company will continue to assess the training requirements of its employees and support their career growth and development.

## **Diversity and Equal Opportunity**

### Diversity and Inclusion

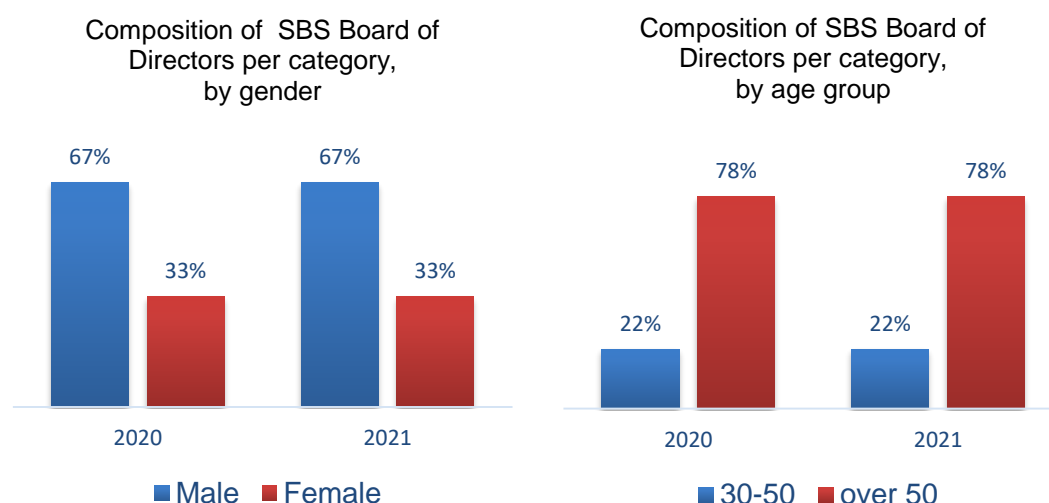
SBS Philippines recognizes the importance of diversity and inclusion in its Board and workforce.

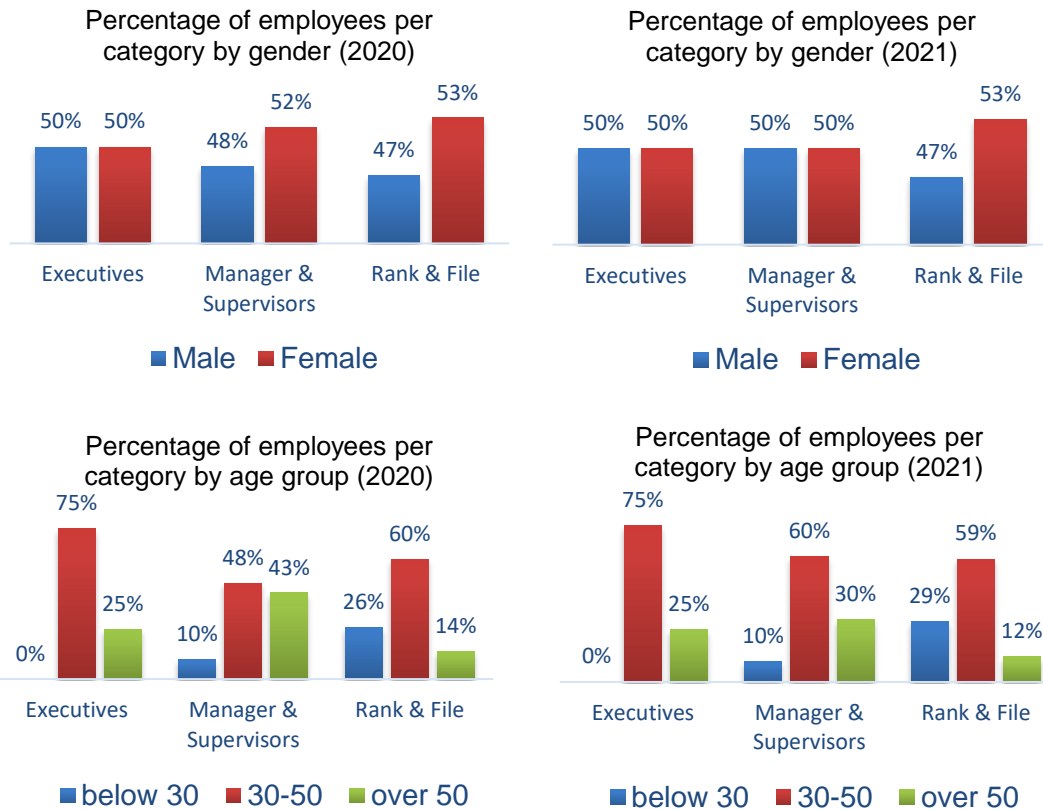
In 2021, SBS issued an amended board diversity policy to ensure that the Board of Directors of the Company has an appropriate mix of expertise, experience, independence, knowledge and skills. This will encourage critical discussions and promote sound decision-making towards the attainment of the Company's strategic objectives and sustainable development.

The Company recognizes the benefits of having employees that possess a diversity of functional expertise, professional background and experience, qualifications and skills. To this end, SBS strives to ensure that there is no discrimination in the hiring and compensation of employees relating to gender. SBS hires and promotes people based on their qualifications and performance as the case may be.

In this reporting period, the SBS workforce of 100 employees was composed of 52 females and 48 males. The data shows the minimal disparity in terms of sexual orientation in its workforce composition. Likewise, it shows that age is not a hindrance to becoming part of the team and maintains the focus on qualifications and abilities of the person/s being considered.

### Employee Profile 2021





### Expanding HR digital management process

The implementation of a Human Resource Information System (HRIS) system at SBS should result in the standardization of the Company's HR management system. In June 2021, the Project Smartsys team identified areas that would benefit the most from digitalization. This included the HRIS. A team composed of representatives from the Human Resource, Information Technology and Enterprise Resource Planning departments were tasked to assess and identify how the HRIS could realize the full capabilities of the payroll system while at the same time achieving optimal efficiency and productivity. At present, the system is undergoing testing to ensure that the data captured in the system is current and accurate.

### Strategy and Plans

SBS HRD aims to recruit, train and retain talented, capable, and motivated individuals; respect their contributions to the Company; and keep them safe. To do so, the Company will regularly consult industry benchmarks to ensure that SBS employee compensation and benefits remain competitive. It will also regularly review their performance and seek to enhance their contribution through feedback and coaching. By doing so, we aim to limit our annual turnover rate to not more than 15%.

### **Occupational Health and Safety**

#### Objective

SBS is committed to protecting the health and safety of its employees while they are at work. Safety is every employee's responsibility - no matter what their function or where they work.

## Management Approach

The main sources of workplace hazards in the Company are: (a) poorly designed equipment (such as forklifts, machinery and hand tools) and walking surfaces, (b) exposure to chemicals, (c) traffic and other transport-related issues, (d) natural events and (e) contact with electricity. To minimize the hazards posed by these factors, we have provided operations and warehouse employees with appropriate equipment as well as proper documentation and adequate training on safety protocols and standard operating procedures.



We encourage warehouse personnel to share best practices among themselves. We also aim to standardize safety programs across the Company. To further ensure the good health of our workers, we provide all legally required medical benefits and, where necessary, medical examinations. In addition, we audit our own sites for health and safety compliance on an annual basis or periodically as may be required.

SBS Philippines aims to have a proactive safety culture. There is a strong focus on near miss reporting in the SBS' office and warehouse facilities. SBS employees are encouraged to report near misses and to take preventive action before the issue escalates to an incident or accident. The Company also measures other proactive leading indicators on health and safety performance.

An occupational health and safety management code that applies to all workers and activities with special attention to those in warehouse and operations has been implemented on a Company-wide basis.

Last but not the least, to ensure that safety is given high priority in all of the Company's operations, the Environmental, Health and Safety (EHS) Department has been placed under the direct supervision of the Chief Operating Officer. The EHS department was specifically created in 2021 with the express objective of ensuring that safety has a champion with specific roles and accountability.

The Company also has an active Health and Safety Committee which conducts regular monthly meetings to review all health and safety activities within the Company's work premises.

In 2022, the Operations Group plans to conduct visits to all storage facilities to share best practices and provide a forum for information-sharing across the organization. SBS will also implement the Safety and Health Enhancement Program that aims to protect all warehouse employees from the dangers of injury, sickness, or death in the workplace.

Under this program, incentives will be given to those who comply with all of the safety procedures and practices of the Company.

## Performance Highlights

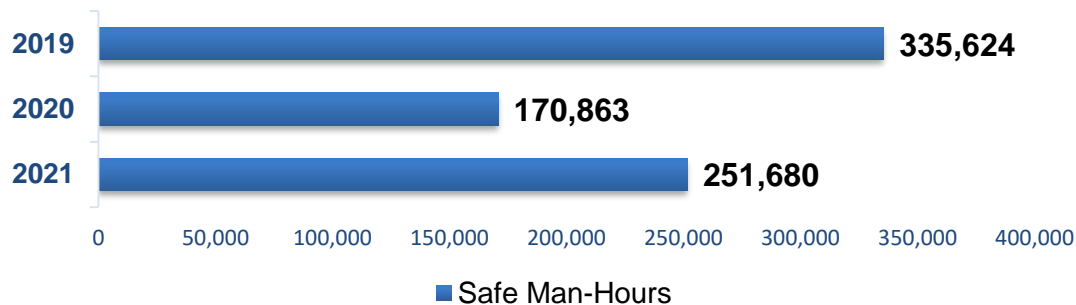
In 2021, there were ZERO lost time accidents. This maintained our safety record for the last three (3) years.



Overview of Incidents and Accidents	2019	2020	2021
Number of work-related injuries	0	0	0
Number of work-related fatalities	0	0	0
Number of work-related illnesses	0	0	0

SBS Philippines, through its EHS Department, expects to achieve its target of 1 Million Safe Man-hours in 2022.

The easing of restrictions caused by the pandemic helped SBS to garner more than 250,000 safe man-hours without any reported incident or accident in 2021.



By the end of the current reporting period, SBS had logged a total of 769,255 safe man-hours since 2019 which is almost 77% of our target commitment by 2022.

#### COVID-19 Response

The Company's COVID-19 strategy was centered on keeping its workforce safe and informed. Intensive efforts went into going online to keep employees updated on the Company's response to the pandemic.

The HR Department shared regular text and video messages providing a series of updates on COVID-19 and its impacts on the SBS workforce and business operations through the Viber messaging platform.

Throughout the crisis, SBS offered comprehensive support for employees working on-site and at home.

Through the COVID-19 pandemic and beyond, we will remain vigilant in our commitment to secure the safety of our employees and business partners.

## **SOCIAL: SOCIETY**

### **Local Community**

#### Objective

To create shared value by supporting local community activities and organizations in the areas where SBS operates, and to minimize and/or mitigate any potential negative impact affecting the local communities.

### Management Approach

SBS Philippines provides financial and in-kind contributions to certain organizations and LGU units that will have a positive impact on the lives of the constituents in the communities where it operates.

These funds and donations are primarily devoted to social and humanitarian initiatives in Quezon City, Mandaluyong, Marilao, and Malabon.

### Performance Highlights

For the last five (5) years, SBS has consistently conducted several civic and charitable projects to the different barangays in Mandaluyong, Marilao, and Quezon City.



In 2021, SBS made available to the Kabalikat Fire Volunteer group, a 2,500-gallon water capacity fire truck stationed at Company's Mandaluyong warehouse site for their use.

The volunteer group supports the LGU's Bureau of Fire Protection (BFP) by helping it suppress fires within the locality and nearby areas.

To date, SBS has not received any complaints about its activities in the communities where it operates.

### Target and Plans

For 2022, the Company will continue to monitor and assess its impact in the local communities where it operates in collaboration with its current partner-organizations and LGUs. SBS will continue to foster strategic partnerships with local initiatives, and thereby encourage social and environmental value creation outside its existing operational business activities.

### **Labor Law Compliance**

The Company ensures that employment practices comply with the General Labor Standards, which is evident of the zero case on labor relations for the year 2021.

## **SOCIAL: CUSTOMERS AND PRODUCTS**

### **Customer Health and Safety**

#### Introduction

Much like its wider sustainability agenda, improving safety does not end at SBS's gates. The Company continues to contribute to the improved health and safety of its suppliers, customers and communities it operates in.

## Management Approach

The Company is continuing its proactive practice of collaborating with customers to conduct safety-based pre-delivery inspections at customer sites and furthering the use of assessments on supplier safety practices to facilitate better practices in chemical handling and employee safety across the value chain.

To ensure the safety of its products and the health of persons handling them, SBS's products are issued with Safety Data Sheets identifying the product hazards, handling guidance, and disposal information. The Operations Group also gives guidance to customers on the safe and appropriate use of the products SBS sells, promoting the safety of those down the supply chain, the customers, and the environment.

## Performance Highlights



In 2021, there were zero (0) incidents of non-compliance with local and national regulations concerning the health and safety impact of the Company's products and services.

SBS remained vigilant in its compliance with regulatory requirements and adheres to the principle of product stewardship. SBS evaluated the product safety performance of its product portfolio and is prioritized based on environmental outcomes, end-use, physical and human hazards, regulatory profile, distribution exposure, production volume, public perception and marketing.



In 2021, SBS registered twenty-one (21) new products with various government regulating bodies.

Annual reviews of associated hazard communication documents, transport options, customer feedback, and regulatory and technical data were completed.

The Company's Regulatory Department proactively provided an additional level of diligence to ensure that any process change did not pose risks to the safety and compliance of SBS's products.

The Company complied with all applicable international and local regulations on product quality and labelling. Safety Data Sheets were provided during the delivery of products and were also available to customers upon request.

SBS monitored the validity of its suppliers' technical, quality and safety related documents and was able to provide up-to-date information to its customers.

SBS also underwent internal and external quality audits conducted by the Internal Auditors and Clients, respectively. The Company has established and validated an action protocol to manage potential product safety alerts in the future.

## Target and Plans

SBS will continue to ensure that all its commercial products meet the standards and requirements set out in applicable local and international regulation.

The Company will also offer more sustainable products with the highest quality and the necessary safety guarantees. To ensure the safety and health of users, SBS has

protocols in place to guarantee product quality and safety at all stages of its importation, storage, and distribution process.

The Sales and Marketing Department will continue to collect feedback from the Company's customers related to product safety for the Operations group to carry out the cause assessment when necessary.

## **Customer Satisfaction**

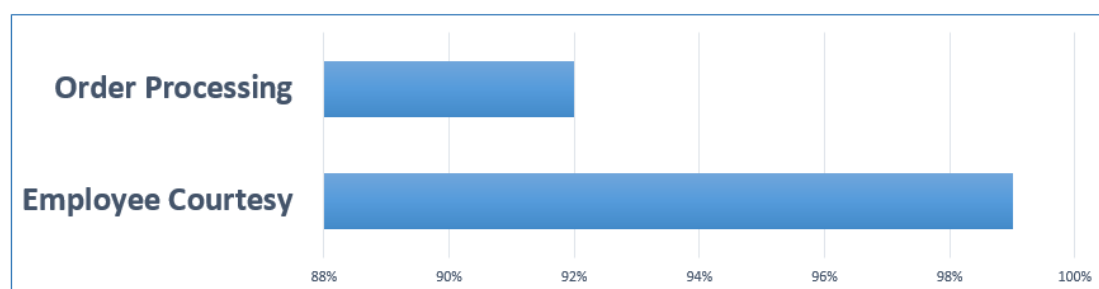
### Objective

To identify our customers' priorities and meet their expectations in an efficient and cost effective manner.

### Management Approach

SBS generates a monthly customer feedback summary to measure the customer satisfaction level. In addition, the Company seeks ways to improve its services to enhance positive customer experience.

### Performance Highlights



The customer survey for 2021 covered 557 respondents, of which 92% were satisfied with their orders and 99% were pleased with the way they were welcomed and attended to by our employees.

### Targets and Plans

- To maintain customer satisfaction level of at least 90%.
- To include timeliness of deliveries to the performance highlights for the year 2022.

## **Marketing and Labeling**

### Objective

To safeguard people and the environment from hazardous chemicals by ensuring that all chemical raw materials sold and dispatched are properly classified, packaged, and labeled.

### Management Approach

SBS is committed to ensuring chemical products are handled safely by providing sufficient and accurate information on all products sold.

Also, the Company has adopted the Globally Harmonized System of classification and labeling of chemicals (GHS) which is organized around three major hazard groups: Physical, Health and Environmental hazard groups.

### Performance Highlights

For the year 2021, there have been no cases of non-compliance with regulations concerning product labeling.

### Target

Zero cases of non-compliance.

## **Data Privacy**

### Objective

To be compliant with applicable statutory, regulatory and contractual duties on the use and protection of personal information received by the Company from our customers, suppliers and other stakeholders.

### Management Approach

SBS implemented its Data Privacy Policy in 2021 in order to protect customers' rights and comply with government regulations. The program revolves around the Five Pillars of Data Privacy Accountability and Compliance:

1. Appoint a Data Privacy Officer;
2. Conduct a Privacy Impact Assessment;
3. Implement a Privacy Management Program codified in a Manual;
4. Implement data privacy and protection measures;
5. Exercise breach reporting protocols.

The Company conducts regular trainings to ensure that employees are guided on the proper collection, use, storage, retention, access, and disclosure of personal data.

### Performance Highlights

SBS has not received any substantiated complaints concerning breaches of customer privacy, or losses of customer data.

### Target and Action Plans

With the increased adoption of digital technology, we recognize both the benefits and risks of storing customers' data on digital platforms. Hence, SBS limits its data collection to data that is necessary for transactional documentation.

The Company's capital investments include provision for network and electronic equipment security to safeguard the access points for customer data.

The Company shall continue building awareness in the organization to ensure its employees understand their roles in the information security protocols.

## Supply Chain Management



- A diversified product portfolio of 3,000 industrial and specialty products
- Strong customer base of about 1800 customers
- 5 key distribution locations capable of storing up to 18,000 mt of products
- Wide network of suppliers – Asia, Europe and North America

The Company has a highly diversified supplier base which is currently made up of over 500 companies across our supply chain. Furthermore, no single supplier is relied upon to supply a particular chemical or group of chemicals. The Company's business is not dependent on one or a limited number of suppliers. While the Company holds some distributor arrangements with certain chemical producers, it generally maintains strong long-term relationships with various chemical producers and global distributors to ensure flexibility in sourcing and protection against disruptions in supply.

The Company generally procures its chemical supplies through spot purchase orders rather than long term supply contracts. For key producers, the Company normally enters into supply framework agreements which operate on an annual basis. These agreements provide for an annual order volume forecast subject to shipment orders issued by the Company.

In 2021, tight availability of container space for shipments from Europe and China persisted through the year with increasing delay in shipments experienced during the second semester. Product supply shortages on some commodity chemical products were experienced in the fourth quarter as a result of limited power supply in major Chinese manufacturing regions that disrupted the manufacturing output of the chemical plants in the said period.

Despite these challenges, the Company's strategy of carrying high inventories enabled it to continue serving its customers with high degree of reliability.



## APPENDIX

### Global Reporting Initiative (GRI) Content Index

GRI Standard	Disclosure		Page No.	Omissions
GRI 101: Foundation 2016 (GRI 101 does not include any disclosures)				
General Disclosures				
GRI 102: General Disclosures 2016	Organizational Profile			
	GRI 102 - 1	Name of the organization	4	
	GRI 102 - 2	Activities, brands, products, and services	4	
	GRI 102 - 3	Location of headquarters	4, 18	
	GRI 102 - 4	Location of operations	4	
	GRI 102 - 5	Ownership and legal form	4	
	GRI 102 - 6	Markets served	4 - 5	
	GRI 102 - 7	Scale of the organization	4-5, 7, 20	
	GRI 102 - 8	Information on employees and other workers	22	
	GRI 102 - 9	Supply chain	30	
	GRI 102 - 10	Significant changes to the organization and its supply chain	30	
	GRI 102 - 11	Precautionary Principle or approach	26 - 27	
	GRI 102 - 12	External initiatives	4	
	GRI 102 - 13	Membership of associations	4	
	Strategy			
	GRI 102 - 14	Statement from senior decision-maker	2	
	Ethics and Integrity			
	GRI 102 - 16	Values, principles, standards, and norms of behavior	19	
	GRI 102 - 17	Mechanisms for advice and concerns about ethics	13 -14	
	Governance			
	GRI 102 - 18	Governance structure	5 - 6	
	GRI 102 - 19	Delegating authority	5 - 6	
	GRI 102 - 20	Executive-level responsibility for economic, environmental, and social topics	23	
	GRI 102 - 22	Composition of the highest governance body and its committee	5-6, 22-23	
	GRI 102 - 23	Chair of the highest governance body	5 - 6	
	GRI 102 - 26	Role of highest governance body in setting purpose, values, and strategy	5 - 6	
	GRI 102 - 30	Effectiveness of risk management process		
	GRI 102 - 32	Highest governance body's role in sustainability reporting	6 - 7	
	Stakeholder Engagement			
	GRI 102 - 40	List of stakeholder groups	6 - 7	
	GRI 102 - 41	Collective Bargaining Agreements	-	No employee is covered under Collective Bargaining Agreement

	GRI 102 - 42	Identifying and selecting stakeholders	7	
	GRI 102 - 43	Approach to stakeholder engagement	7 - 10	
	GRI 102 - 44	Key topics and concerns raised	7 - 10	
	<i>Reporting Practice</i>			
	GRI 102 - 45	Entities included in the consolidated financial statements	7	
	GRI 102 - 46	Defining report content and topic Boundaries	7	
	GRI 102 - 47	List of material topics	7	
	GRI 102 - 48	Restatements of information	-	
	GRI 102 - 49	Changes in reporting	-	
	GRI 102 - 50	Reporting period	6 - 7	
	GRI 102 - 51	Date of most recent report	6 - 7	
	GRI 102 - 52	Reporting cycle	6 - 7	
	GRI 102 - 53	Contact point for questions regarding the report	10	
	GRI 102 - 54	Claims of reporting in accordance with the GRI Standards	7	
	GRI 102 - 55	GRI content index	Annex	
	GRI 102 - 56	External assurance	-	
<b>Material Topics</b>				
<i>GRI 201: Economic Performance 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	12	
	GRI 103 - 2	The management approach and its components	12	
GRI 201: Economic Performance 2016	GRI 201 - 1	Direct economic value generated and distributed	12 - 13	
	GRI 201 - 2	Financial implications and other risk and opportunities due to climate change	12 - 13	
	GRI 201 - 3	Defined benefit plan obligations and other retirement plans	20	
	GRI 201 - 4	Financial assistance received from government	13	
<i>GRI 205: Anti-Corruption 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	14	
	GRI 103 - 2	The management approach and its components	14	
	GRI 103 - 3	Evaluation of the management approach	14	
GRI 205: Anti-Corruption 2016	GRI 205 - 2	Communication and training about anti-corruption policies and procedures	14	
	GRI 205 - 3	Confirmed incidents of corruption and actions taken	14	
<i>Climate Change</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	14	
	GRI 103 - 2	The management approach and its components	14 - 15	

	GRI 103 - 3	Evaluation of the management approach	14 - 15	
GRI 201: Economic Performance 2016	GRI 201 - 2	Financial implications and other risks and opportunities due to climate change	14 - 15	
<i>GRI 307: Environmental Compliance 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	16	
	GRI 103 - 2	The management approach and its components	16	
	GRI 103 - 3	Evaluation of the management approach	16	
GRI 307: Environmental Compliance	GRI 307 - 1	Noncompliance with environmental laws and regulation	16	
<i>GRI 302: Energy 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	17	
	GRI 103 - 2	The management approach and its components	17 - 18	
	GRI 103 - 3	Evaluation of the management approach	17 - 18	
GRI 302: Energy 2016	GRI 302 - 1	Energy consumption within the organization	18 - 19	
<i>GRI 306: Effluents and Waste 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	16	
	GRI 103 - 2	The management approach and its components	16	
GRI 306: Effluents and Waste	GRI 103 - 3	Evaluation of the management approach	16	
	GRI 306 - 2	Waste by type and disposal method	16	
<i>GRI 401: Employment 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	19	
	GRI 103 - 2	The management approach and its components	19 - 20	
	GRI 103 - 3	Evaluation of the management approach	19 - 20	
GRI 401: Employment 2016	GRI 401 - 1	New employee hires and employee turnover	20	
	GRI 401 - 2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	22	
	GRI 401 - 3	Parental leave	22	
<i>GRI 403: Occupational Health and Safety 2018</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	23	
	GRI 103 - 2	The management approach and its components	23 - 24	
	GRI 103 - 3	Evaluation of the management approach	23 - 24	

GRI 403: Occupational Health and Safety 2018	GRI 403 - 1	Occupational health and safety management system	23 - 24	
	GRI 403 - 2	Hazard identification, risk assessment, and incident investigation	23 - 24	
	GRI 403 - 3	Occupational health services	23 - 25	
	GRI 403 - 4	Worker participation, consultation, and communication on occupational health and safety	23 - 25	
	GRI 403 - 5	Worker training on occupational health and safety	23 - 25	
	GRI 403 - 6	Promotion of worker health	23 - 25	
	GRI 403 - 7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	23 - 25	
	GRI 403 - 8	Workers covered by an occupational health and safety management system	23 - 25	
	GRI 403 - 9	Work-related injuries	23 - 25	
<i>GRI 404: Training and Education 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	20	
	GRI 103 - 2	The management approach and its components	20	
	GRI 103 - 3	Evaluation of the management approach	20	
GRI 404: Training and Education 2016	GRI 404 - 1	Average training hours per year per employee	20	
<i>GRI 405: Diversity and Equal Opportunity 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	22	No objective included
	GRI 103 - 2	The management approach and its components	22 - 23	No management approach
	GRI 103 - 3	Evaluation of the management approach	22 - 23	No management approach
GRI 405: Diversity and Equal Opportunity 2016	GRI 405 - 1	Diversity of governance bodies and employees	21	
<i>GRI 417: Marketing and Labeling 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	29	
	GRI 103 - 2	The management approach and its components	29	
	GRI 103 - 3	Evaluation of the management approach	29	
GRI 417: Marketing and Labeling 2016	GRI 417 - 1	Requirements for product and service information and labeling	26 - 27	
	GRI 417 - 2	Incidents of non-compliance concerning product and service	29	

		information and labeling		
	GRI 417 - 3	Incidents of non-compliance concerning marketing communications	29	
<i>GRI 416: Customer Health and Safety 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	26	
	GRI 103 - 2	The management approach and its components	26	
	GRI 103 - 3	Evaluation of the management approach	26	
GRI 416: Customer Health and Safety 2016	GRI 416 - 1	Assessment of the health and safety impacts of product and service categories	26 - 27	
	GRI 416 - 2	Incidents of non-compliance concerning the health and safety impacts of products and services	26 - 27	
<i>Customer Satisfaction</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	27	
	GRI 103 - 2	The management approach and its components	28	
	GRI 103 - 3	Evaluation of the management approach	28	
GRI 102: General Standard Disclosures 2016	GRI 102 - 43	Approach to stakeholder engagement	7 - 10	
	GRI 102 - 44	Key topics and concerns raised	7 - 10	
<i>Labor Law Compliance</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	26	
	GRI 103 - 2	The management approach and its components	26	
<i>GRI 418: Customer Privacy 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	29	
	GRI 103 - 2	The management approach and its components	29	
	GRI 103 - 3	Evaluation of the management approach	29	
GRI 418: Customer Privacy 2016	GRI 418 - 1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	29	
<i>GRI 413: Local Communities 2016</i>				
GRI 103: Management Approach 2016	GRI 103 - 1	Explanation of the material topic and its boundary	25	
	GRI 103 - 2	The management approach and its components	25	
GRI 413: Local Communities 2016	GRI 413 - 1	Operations with local community engagement, impact assessments, and development programs	25 - 26	

	GRI 413 - 2	Operations with significant actual and potential negative impacts on local communities	25 - 26	
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## Task Force on Climate-related Financial Disclosures (TCFD) Content Index

Recommended Disclosures	SBS SR Disclosure Content (Page No.)
<b>Governance</b> Disclose the organization's governance around climate-related risks and opportunities.	
a) Describe the board's oversight of climate related risks and opportunities.	2, 6, 11, 14-15
b) Describe management's role in assessing and managing climate-related risks and opportunities.	6, 14-15
<b>Strategy</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning where such information is material.	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	14-15
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	14-15
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	14-15
<b>Metrics and Targets</b> Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
a) Describe the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Processes are still to be set up for the future reporting of this metric
b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Processes are still to be set up for the future reporting of this metric
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Processes are still to be set up for the future reporting of this metric