

RESPONSIBLE SOURCING POLICY

REQUIREMENTS FOR DOING BUSINESS WITH SBS

Under each Founding Principle, we define the relevant requirements that we expect our suppliers to adhere to across their own businesses.

1. BUSINESS IS DONE LAWFULLY AND HONESTLY

a. Compliance with laws and regulations

Suppliers are required to comply with the laws and regulations of the countries they operate in. They shall also comply with applicable international and regulatory laws governing business conduct, including trade sanctions, competition / antitrust laws, and privacy laws.

b. Business Integrity

Suppliers shall conduct their business in accordance with the highest ethical standards and to have controls in place that detect and prohibit the misuse of company assets, corruption, bribery, improper gifts, extortion, embezzlement and even the appearance of conflicts of interest.

Suppliers shall not offer or accept bribes or other unlawful incentives to/from their other business partners. Suppliers shall not offer SBS employees with gifts or other personal benefits. The suppliers' business dealings should be fair, legal and honest.

c. No Gift Policy

SBS does not allow receiving and soliciting of gifts from our suppliers, business contacts and partners. Sending gifts to the employee's home or any location other the company premises is strictly prohibited. This is for the equal protection of both our companies and to eliminate all perceived bias and unjust treatment. "NO GIFT POLICY" is applicable the whole year round.

d. Fair Competition

Suppliers will conduct their business in line with fair competition and in accordance with all applicable anti-trust and anti-corruption laws.

e. Privacy & Intellectual Property

Suppliers with access to SBS confidential information shall not disclose such information to any other person or entity, even to parent or subsidiary companies, without the written consent coming from the authorized representative of SBS. Suppliers shall safeguard and use confidential information appropriately and ensure that the privacy and intellectual property of workers and business partners are protected. The suppliers agrees that the information it acquired through proposals and negotiations shall be retained in confidence and shall not be reproduced, used, disseminated, displayed, tested, published, or disclosed to any third party.

f. Conflict of Interest

Suppliers shall not enter into agreement or collude with any officer of the Company to obtain a favorable undertaking. If the supplier has a relative within the 3rd degree of consanguinity or affinity with any of the employees of the Company, the supplier shall disclose this fact as soon as possible.

2. FAIR LABOUR PRACTICES

SBS suppliers shall comply with labor laws and regulations, including those concerning working hours, wages and benefits and working conditions.

3. ZERO-TOLERANCE TO FORCED LABOR AND HUMAN TRAFFICKING

SBS does not tolerate any form of abusive or illegal labor in our supply chain. Work should be voluntary, and workers are provided with employment documents of the agreed employment terms and conditions. All suppliers will make sure that forced, bonded, indentured or involuntary prison labor is not present in its operations.

4. RESPECT OF CHILD RIGHTS

All suppliers should not engage in or support the use of child labor in accordance with Republic Act No. 7610 known as the “Special Protection of Child Abuse, exploitation and Discrimination Act” and as defined by ILO Convention 138 & 182, and all relevant national and international laws, regulations and provisions applicable in their country of production or operations.

5. DIVERSITY AND EQUAL OPPORTUNITY

SBS encourages diversity and equal opportunity in its work force. Suppliers shall not discriminate with regards to workers based on race, religion, beliefs, gender, marital or maternal status, age, political affiliation, national origin, disability, sexual orientation, or any other basis. As a general principle, decisions relating to hiring, salary, fringe benefits, promotion, and termination shall be based on workers’ skills and ability to do the job.

6. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Worker’s rights to voluntary freedom of association and collective bargaining shall be respected. Workers shall not be intimidated or restricted from their right to associate or refrain from joining organizations.

7. PROTECTION OF WORKERS' HEALTH AND SAFETY

SBS requires that all workers be provided with a safe and healthy working environment. A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, in so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Applicable Occupational Health and Safety regulations will be observed to create a safe and healthy working environment.

8. FAIR PROCEDURES AND REMEDIES ARE AVAILABLE TO ALL WORKERS

A grievance system that is unbiased, transparent, and confidential should be accessible to all workers that will result to prompt, impartial and fair resolution of work-related issues.

9. LAND RIGHTS WILL BE PROTECTED AND PROMOTED

Suppliers shall respect the rights and title to property and land of individuals and local communities, including indigenous people. Negotiations relating to their property or land, including their use and transfer, shall comply with the principles of free and informed consent, transparency, and disclosure.

10. SUSTAINABILITY AND ENVIRONMENTAL PROTECTION

In making business decisions, suppliers are expected to strive for initiatives that:

- promote environmental conservation and protection;
- reduce environmental impact;
- develop and integrate sustainable technologies to reduce energy and water consumption and reuse / recycle resources used by the business.

