



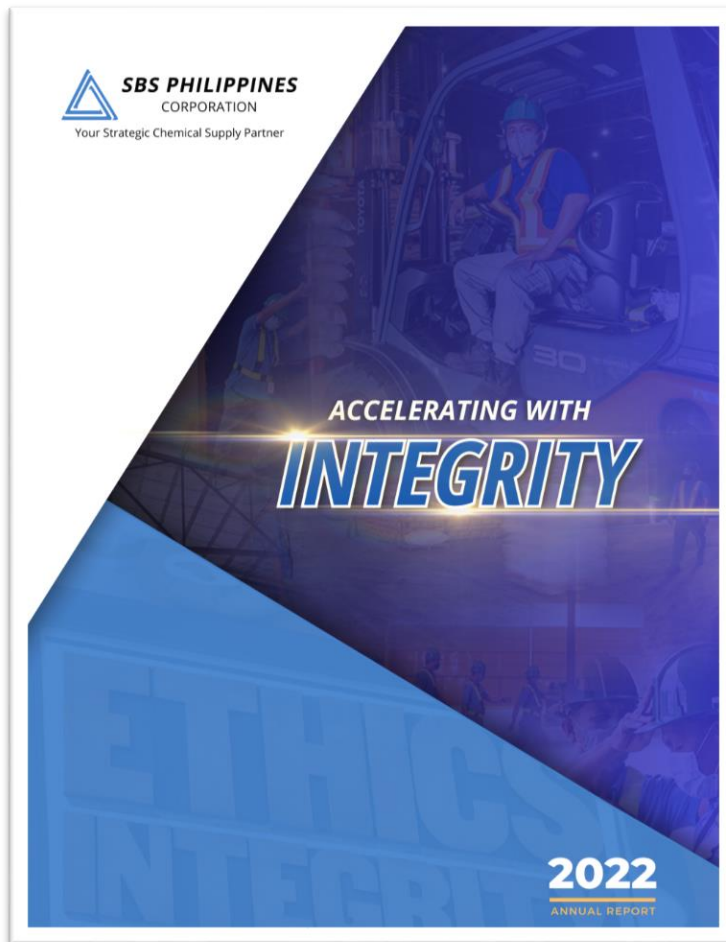
SBS PHILIPPINES
CORPORATION

Your Strategic Chemical Supply Partner

ACCELERATING WITH
INTEGRITY

2022
ANNUAL REPORT

About The Cover



The 2022 Annual Report cover focuses on our efforts to return the Company's business to pre-pandemic levels while continuously improving the corporate governance process of the company to make it more ready to meet future challenges.

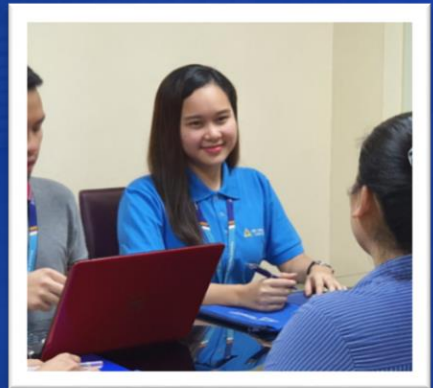
Report Overview

This 2022 Annual Report of Management to Shareholders highlights the Company's financial and corporate governance achievements for 2022. It likewise provides information on the Company's sustainability efforts as well as its contributions to the local communities where it operates.

Table of Contents

Company Profile	2
Vision, Mission, Goals and Core Values.....	3
Chairman’s Message	5
Philosophy on Sustainability.....	7
President’s Report	9
Performance Highlights.....	13
2022 In Review.....	15
Results of Operations	15
Core Chemical Distribution Business	15
Property-Related Investments.....	16
Financial Condition	16
Quarterly High and Low SBS Share Prices.....	19
Key Sustainable Development Goals.....	20
SBS’ Contribution to the UN SDG’s.....	22
Responsible Sourcing Policy	25
Board of Directors and Senior Management Profile	28
Board of Composition, Diversity and Balance.....	33
Skills and Attributes of the Board of Directors.....	33
Corporate Governance	34
Board Structure and Process.....	34
Board Committees	36
Executive Committee.....	36
Audit and Risk Oversight Committee	36
Related Party Transactions Committee	37
Corporate Governanceand Ethics Committee	38
Nomination and Remunerations Committee.....	38
Finance and Investment Committee	39
Internal Audit and Control	39
Risk Management.....	40
Protection of Shareholder’s Rights and Interests	40
Stakeholder Relationships	41
Approach to Sustainability.....	42
Board Compensation and Remuneration.....	43
Executive Officers Summary Compensation Table	43
Standard Arrangements for the Board of Directors	43
Disclosure and Transparency	44
Shareholdings as of December 31, 2022	44
2022 Board and Committee Attendance	45
Corporate Social Responsibility.....	47
Awards and Recognition.....	49
Organizational Chart.....	50
Corporate Directory	52

Company Profile



SBS Philippines Corporation (the Company) is an importer, wholesaler, and distributor of a wide range of chemical products serving a diverse set of industries which include food and beverage, industrial and detergents, feeds and agriculture, water treatment, pharmaceuticals and personal care, building and constructions, and mining and minerals. As a full-line chemical distribution company, it provides a one-stop shop business solution for various chemical requirements by engaging in multiple sourcing from producers and sells a broad range of products and ingredients, allowing choice and convenience for a more efficient and economical sourcing of its customers.

Vision, Mission, Goals and Core Values

VISION

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

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.

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.

CORE VALUES

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

"Our advantage is that, having survived the threat of CoVid, **we remain cautiously optimistic that your company is ready to face whatever challenges may come.**"

Ricardo Nicanor N. Jacinto
Chairman



Chairman's Message

Dear Shareholders,

As the year 2022 unfolded, all sectors of the economy experienced varying degrees of recovery as the Philippines slowly achieved herd immunity from the coronavirus (COVID-19). Consumers and businesses gradually resumed their normal patterns of demand as lockdowns, thankfully, receded into the past. As a result, the Philippine economy clocked a 7.6% growth in gross domestic product in 2022.

Your company greatly benefited from the economic rebound as its 2022 consolidated revenues rose by 45% to Php1,188.1Mn. As our president Mr. Gerry Tan will explain in further detail in his report, SBS saw improvements across all its product lines and key markets as the economic recovery gained momentum over the period. Net profit after taxes for the year stood at Php103.7Mn which was lower than 2021's figure of Php180.4Mn primarily as a result of lower revenues from SBS Holdings and Enterprises Corporation.

While the threat of COVID-19 diminished, other economic headwinds emerged. In particular, inflation across the world became the new risk that companies needed to address. Headline inflation in the Philippines for 2022 reached 5.8% compared to 3.9% in 2021 and way above the target range of the government of 2-4%. By February 2023, inflation hit 8.6%. To head-off inflationary expectations becoming entrenched in the minds of consumers and businesses, the Bangko Sentral ng Pilipinas embarked on a series of interest rate increases beginning in May 2022 up to March 2023,

which saw the key overnight borrowing rate jump during that period from 2.25% to 6.25%.

Geopolitical developments also became a concern for business. Although the war between Russia and Ukraine has been going on for over a year now, the world economy is still exposed to shocks arising from that conflict. Closer to home, tensions between China, the Philippines and the United States have the potential to boil over into confrontation as governments of these countries practice diplomatic brinkmanship.

These are just a few of the potential dangers that our board and management see on the horizon as we continue to sail on into 2023. Having said that, neither fear of failure nor risk are reasons for standing still. We continue to move forward with purpose while at the same time keeping a close hand on the steering wheel to be able to change course depending on the circumstances. Our advantage is that, having survived the threat of COVID-19, we remain cautiously optimistic that your company is ready to face whatever challenges that may come. Although our total assets increased to Php 8,772Mn from Php7,924Mn in 2022, our liquidity and debt-to-equity ratios stood at a healthy 168.5% and 34.1%, respectively.

Our 2022 financial performance is not the only reason for our optimism. SBS has a professional and motivated work force that consistently delivered results during the CoVid-19 crisis. Your board is taking steps to ensure that this work force remains ready and willing



to meet future crises by overseeing the process of recruiting, retaining, and training our people.

Among other things, we have instituted an Employee Stock Option Plan that we believe is crucial towards aligning the interests of our managers and employees with that of our shareholders.

More importantly, we continue to strengthen our corporate governance policies and practices with the aim of continually improving your company's resilience and ability to endure over the long-term. A key element of this is including an Environmental-Social-Governance (ESG) perspective in the formulation of our business strategy. Among other initiatives, our company has created an Environmental and Infrastructure business segment which is

expected to be a major driver of growth and diversification in the near future.

I would like to congratulate the board of directors as well as Gerry and his team on a job well done in 2022. And as always, I thank you, our shareholders, for your continued support and trust in the abilities of everyone at SBS Philippines to get the job done no matter what the environment.

Sincerely,


Ricardo Nicanor N. Jacinto
Chairman

Philosophy on Sustainability

SBS is committed to integrate into its strategy Environmental-Social-Governance (ESG) best practices and standards for its industry.

We do so not solely because we are required to do so but because it makes good business sense in the long-run.



OUR COMMITMENT

- Provide service excellence and continuously seek new business opportunities to improve the Company's financial viability and maximize shareholder value.
- Prioritize the introduction of sustainable products and solutions to offer our customers access to eco-friendly and safe raw materials, additives, and process aids across the entire value chain.
- Operate the company in a safe working condition that protects the health and well-being of our employees, service providers, and the communities we operate in.
- Create a dynamic workplace environment anchored on a diverse and passionate work force, investing in our employees' professional and personal development, and respecting every employee's fundamental right at work.
- Promote a strong corporate governance culture and conduct its business following ethical business principles across the organization.
- Intensify our action in support of circular economy and invest in appropriate technology to reduce greenhouse gases emission and enhance the use of available environmental protection initiatives needed as a result of our operations.
- Collaborate with our business partners, customers, local communities, regulators, civil society, and other stakeholders to advance all efforts including our Corporate Social Responsibility activities in support of United Nation's Sustainable Development Goals.



"I believe that we can take inspiration from the resilience and innovation that we have seen over the past year. **As we move forward, we will continue to embrace these values, and work together to build a stronger and more sustainable business.**"

Gerry D. Tan
President

President's Report

Dear Shareholders,

The years 2020 and 2021 have been challenging for many businesses around the world. The COVID-19 pandemic has disrupted markets and supply chains, and many companies have struggled to maintain their operations and profitability. Some companies have recovered faster than others. It is my pleasure to address you today on the positive developments attained by your Company in 2022, not only on our sales recovery but also on strengthening our core competencies to prepare for business growth, as many companies adapt to the new realities of the post-pandemic world.

One of the key drivers of our business recovery has been collaboration with our customers and suppliers. Across industries and sectors, companies have come together to achieve mutually beneficial supply agreements especially in times of product supply shortages, to share knowledge to optimize resources, and to support each other through the crisis. This spirit of cooperation has helped to build resilience and overcome many of the challenges of the past year.

Another important factor has been innovation. Your Company has to find new ways of operating, serving customers, and engaging with stakeholders. From remote working to online customer survey to digital marketing, SBS has invested in and embraced new technologies and adapted our operating model to cater to the changing need of our customers.

Let me share with you our Financial and Operational Performance for 2022 in detail as

well as the business direction of your Company in 2023 and beyond.

Financial Performance

In 2022, your Company generated total consolidated revenues of P1,188.1 million, a 45% increase from total revenues of P818.9 million in the previous year. This brings the Company's revenue back to pre-pandemic level. We registered higher revenues during the second and third quarters which are in line with our customers' manufacturing activities that peaked during these periods.

SBS increased the gross profit margin by 4.1 percentage points in 2022 as your Company implemented several phases of price increase to compensate for the negative impact of the Philippine peso depreciation against the US dollar which is the main currency used for our importation of the chemical products. This enabled SBS to generate a gross profit of P464.1 million for 2022 and offset the losses incurred by the Company on its US dollar trust receipts as a result of the volatility of the US dollar and Philippine peso exchange rate throughout the year.

As your Company ramp up the business activities, the Group's operating expenses increased by P20.2 million or 12.5% from P161.6 million in 2021 to P181.8 million in 2022. P4.4 million of this increase was due to higher taxes and licenses paid as a result of the upturn in business activities while another P3.6 million was related to increase spending in employee compensations and benefits. Meanwhile, the Company's other operating

income decreased by P19.9 million or 65.1% compared to the previous year due to reduced revenue from various property management services of the Subsidiary.

Driven by our top line growth in revenue and higher gross margin, SBS generated a record high operating profit of P292.9 million from P154.8 million in 2021 or an increase of P138.2 million or 89.3% year on year. The operating profit on revenue percentage increased by 5.7 percentage points from 18.9% in 2021 to 24.6% in 2022.

Your Company registered a lower Equity in Net Losses of Associates amounting to P38.2 million in 2022 as compared to P91.9 million incurred in 2021. In addition, SBS consolidated net finance costs also decreased by 29.7% or P36.9 million from P124.3 million in 2021 to P87.4 million in 2022. This resulted in a profit before tax of P167.4 million and a net profit of P103.7 million for 2022 as compared to P250.6 million and P180.4 million, respectively, in 2021.

The Group's total assets increased from P7.92 billion in 2021 to P8.77 billion in 2022 as SBS availed of a P700 million long term loan for the upgrading of the logistic infrastructure and to support its growth strategy. Consequently, total liabilities increased by P781.7 million from P1.45 billion in 2021 to P2.23 billion in 2022. Total equity attributable to shareholders had increased by P84.2 million from P5.74 billion in 2021 to P5.83 billion in 2022 in addition to the dividend payout of P38.8 million made also in 2022.

Operation Performance

Sales revenue for the period of the parent company increased by P370.4 million or 45.3% from P817.5 million in 2021 to P1,187.9 million in 2022. Among the different market segments,

Industrial Chemicals, Food Ingredients, and Home and Personal Care segments increased the most at P121.2 million, P94.5 million and P72.5 million, respectively, in 2022 as compared to the prior year.

The following key market segments accounted for our Company's sales from its chemical distribution business in 2022: food ingredients (29%), feed, veterinary and agricultural inputs (23%), industrial chemicals (19%), home and personal care (15%), and pharmaceuticals and others (14%).

In 2022, SBS registered 38 new or alternative products with various government regulating bodies and launched them in the market. In addition, our new warehouse facilities are now operational from July 2023 that will further improve our storage and handling capability for food ingredients and other regulated products.

SBS also underwent internal and external quality audits conducted by internal auditors and clients.

In 2022, SBS served a total of 1,227 active customers. In order to identify the customers' priorities and meet their expectations in an efficient and cost-effective manner, your Company engaged in a random feedback survey on a quarterly basis to measure the customer satisfaction level. The 2022 customer survey covered a total of 90 respondents with the following satisfaction ratings: pricing (93%); delivery (86%); quality (95%); and customer service (98%). This allowed us to determine the areas for improvement in order to be able to serve our customers well.

Your Company continued to face operational challenges in 2022 due to the increasing transit time of vessels from Europe and China that



required SBS to increase our inventory levels for some critical products to meet our customers' delivery requirements. Some products were subjected to an export quota system from the country of origin that delayed the delivery of these raw material products to us. The Company's strategy of carrying high inventories enabled it to continue serving its customers with a respectable degree of reliability.

Since the beginning of 2022, your Company had resumed its normal operation. Several health and safety measures were implemented across the Company's workplace and warehouses designed to mitigate the risk of operational disruption and provide a healthy and safe environment for all our stakeholders.

Sustainability

Your Company published its second comprehensive report of the Company's sustainability performance as of and for the year ended December 31, 2022.

The Sustainability Report was prepared in accordance with the Global Reporting Initiative (GRI) Standards and by the Securities and Exchange Commission in Memorandum Circular No. 4, series of 2019. The following stakeholders were considered in the assessment of key material topics: customers, suppliers, employees, shareholders, regulators, and the local communities where SBS has operations. It provided a detailed look at the operations as well as the employees of SBS Philippines Corporation excluding its subsidiary SBS Holdings and Enterprises Corporation and associated companies.

A copy of the 2022 Sustainability Report can be downloaded from our Company's website www.sbsph.com.

Your Company is committed to ensuring the sustainability of its business by managing the economic, environmental, social and governance effects of its operations in a responsible manner.

In addition, SBS has incorporated sustainability in our business growth strategy that includes the introduction of new products and solutions to our customers for them to meet their own sustainability targets.

2023 Business Plans

For 2023 and beyond, your Company is focused on accelerating our business growth through the following actions:

- Increase market penetration in our core segments – food ingredients; animal health and nutrition; and industrial chemicals.
- Grow customer and product portfolio in our growing segments – home and personal care; environmental and infrastructure; and agriculture raw materials.
- Enhance our delivery service reliability to improve customer satisfaction rating above 90% level.
- Invest in organic growth as well as growth through acquisition when such opportunity arises that are complementary to our existing business.
- Continue to explore all avenues to generate income stream from the real estate investments including holdings of the Company.

Our subsidiary, SBS Holdings, continue to explore the best use of our affiliate companies' landholding assets including evaluation of potential partners for the development of these assets. The Group expect that these

actions will generate positive result for the Company in 2023 and foreseeable future.

The Group's 2022 results showed the exceptional financial and operational performance of the chemical distribution business of your Company. While there is still a long way to go to reach the full potential of SBS, I believe that we can take inspiration from the resilience and innovation that we have seen over the past year. As we move forward, we will continue to embrace these values, and work together to build a stronger and more sustainable business.

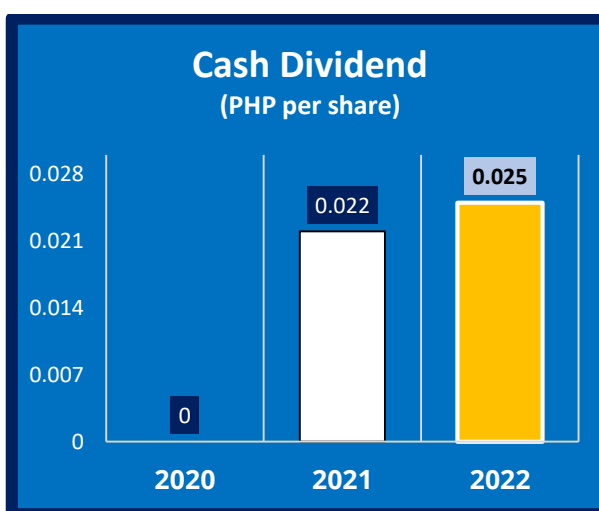
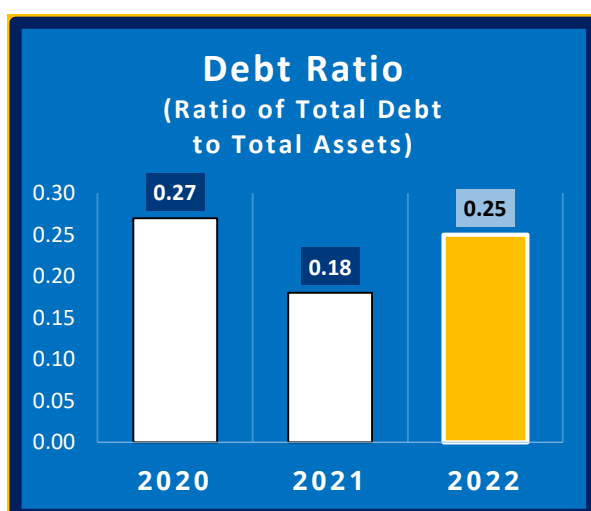
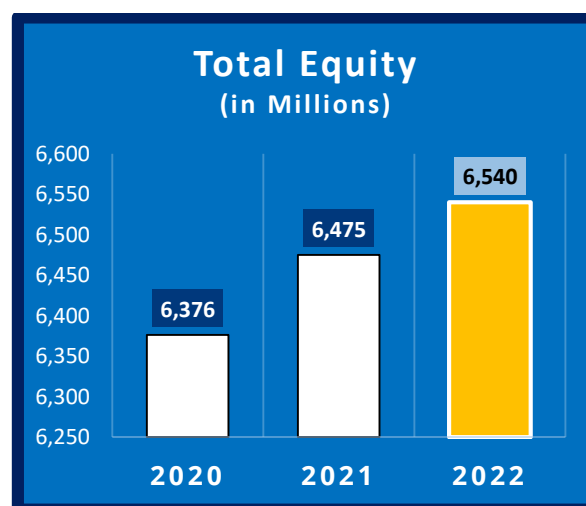
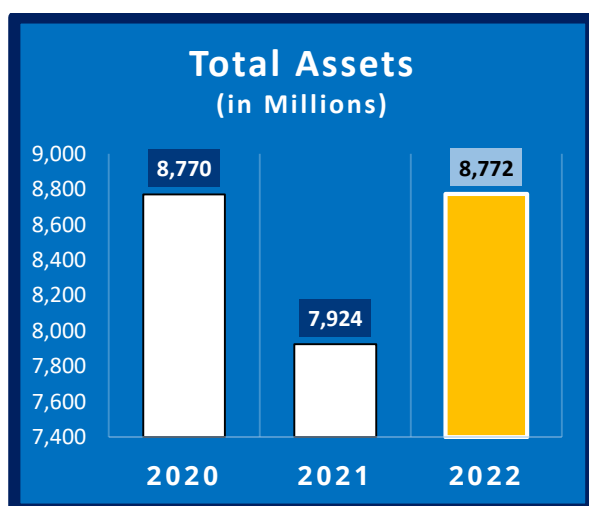
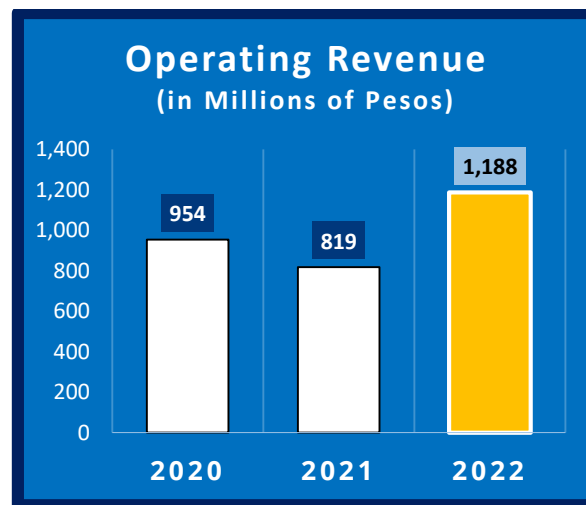
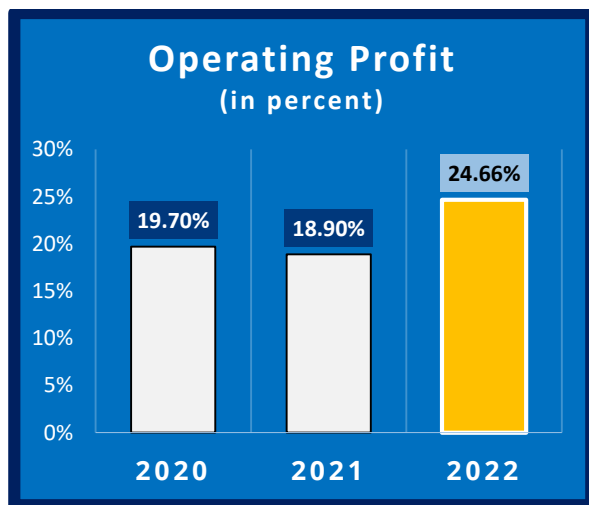
I would like to give the highest commendation to the management and staff for their hard work, dedication, and commitment to SBS.

To our shareholders, customers, suppliers, and all other stakeholders, thank you for your continued trust and support!

Sincerely,

Gerry D. Tan
President

Performance Highlights





2022 In Review

SBS Philippines Corporation outperformed targets on the back of economic reopening as consumer demand improved in 2022. The Company focused on growing the profitable segments, supported by an improved supply chain infrastructure as it expects additional warehouse capacity to be operating in Q2 2023, in line with its growth strategy.

Results of Operations

In 2022, SBS reported consolidated sales revenue of P1,188.1 million from its core chemical distribution business and grew its operating profits by 89.3% year-on-year to P292.9 million. The group reported net finance costs of P87.4 million and incurred equity in net losses of associates amounting to P38.2 million. Consolidated profit before tax amounted to P167.4 million while tax expense closed at P63.7 million, resulting in consolidated net income of P103.7 million for the year.

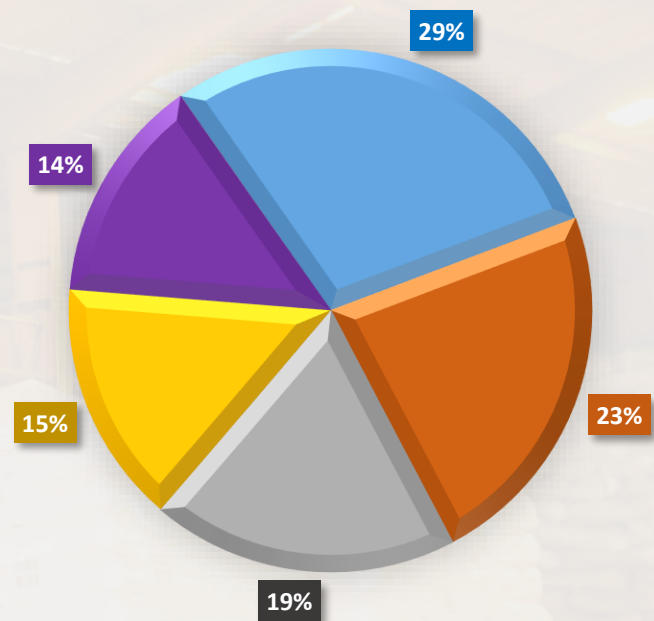
The group generated net cash of P637.0 million from operating and financing activities and used P77.3 million in investing activities primarily for advance payments for investments and acquisition of property and equipment.

Core Chemical Distribution Business

The core chemical business achieved robust growth of P370.4 million or 45.3% from P817.5 million in 2021 to P1,187.9 million in 2022. The sale of Industrial Chemicals rose by 113.3% or P121.2 million as manufacturing activities improved during the period, while Food Ingredients segment increased by 37.4% or P94.5 million as compared to the same period in 2021 driven by continued increase in consumer demand for food and beverage products. Meanwhile, revenues from the

Animal Feed segment increased by 4.7% or P12.1 million as the swine industry gradually picked up from the effects of the African Swine Flu that hit the industry in 2020.

The company increased the gross profit margin by 4.2 percentage points as a result of better product mix and rising prices.



- Food Ingredients
- Feed, Veterinary and Agro Inputs
- Industrial Raw Materials
- Home and Personal Care
- Pharmaceuticals and Others

Meanwhile, operating expenses increased by 13.1% mainly due to higher business taxes and employee salaries and benefits in line with boosted business activities. The resulting improvement in operating profit for the core chemical business in 2022 was P161.9 million from P152.9 million in 2021 to P314.8 million in 2022.

The Company continued to strengthen its logistical capability and invested in the construction of new warehouses and purchase of equipment with a programmed capital expenditure of P60.2 million in 2022 and had spent P20.0 million for the year.

Property-Related Investments

SBS Holdings and Enterprises Corporation (“Subsidiary”) principal activity includes investments in companies with land banking investments in prime parcels of land. Its other business segments include property management and leasing, and distribution and sale of construction materials.

In 2022, the Subsidiary contributed P0.2 million of sales revenue and additional P2.5 million from various management services.

Group-wide, the property-related investments generated cash proceeds from sale of its shareholdings in a subsidiary amounting to P805.1 million in 2021. There is no similar transaction in 2022. Meanwhile, the Group made a deposit for future subscription amounting to P62.9 million in several other associate companies.

At end of 2022, the Group has investment in 25 associate companies of which 23 of them has investment in landholdings in prime areas in Metro Manila or in other urban cities.

Financial Condition

This section discusses the consolidated financial statements covering the Company and its subsidiary (“the Group”).

Assets

As at 31 December 2022, total assets amounted to P8,772.0 million, 10.7% up from last year of P7,924.5 million. Total assets in 2022 consisted of P2,494.1 million in current assets and P6,277.9 million in non-current assets compared to P1,616.6 million in current

assets and P6,307.9 million in non-current assets in 2021.

Trade and other receivables increased by P48.1 million or 10.5% from P456.3 million in 2021 to P504.5 million in 2022.

The inventory level went up by P61.3 million or 7.9% from P776.4 million in 2021 to P837.7 million in 2022 as a result of higher volume of importation for stock replenishment in response to market demand.

Prepayments and other current assets increased by P197.5 million from P133.7 million in 2021 to P331.2 million in 2022 as a result of reclassification of certain non-current assets held by the Group in the previous year to current assets on the account of an agreement to extend the refund of deposit over three years or until 2024 as a result of the cancellation of the intended transaction due to unfavorable result of the due diligence on the property.

Consequently, other non-current assets decreased by P199.7 million from P2,768.1 million in 2021 to P2,568.3 million in 2022 mainly due to the same agreement.

Investment in associates dipped by P2.9 million or 0.1% from P2,843.7 million in 2021 to P2,840.8 million in 2022 as a result of net equity losses of P38.2 million and additional investments in shares of associate companies made by the Group amounting to P35.3 million.

Property and equipment value increased by P13.7 million from P43.2 million in 2021 to P56.8 million in 2022, as a result of P20.1 million of asset purchase and partially offset by P6.4 million depreciation of the assets.



Right-of-use assets increased from P25.7 million in 2021 to P186.2 million in 2022, with additions of P186.2 million during the year partially offset by P25.7 million charged to depreciation and amortization.

Liabilities

The total liabilities as at 31 December 2022 amounted to P 2,231.5 million, 53.9% up from P1,449.8 million in 2021. Total liabilities consisted of P1,480.5 million in current liabilities and P751.0 million in non-current liabilities in 2022 compared to P1,436.0 million in current liabilities and P13.8 million in non-current liabilities in 2021.

Current loans payable decreased by 14.4% or P174.2 million from P1,211.1 million in 2021 to P1,036.9 million in 2022 after loan repayments of P1,132.0 million and partially offset with new loan drawdowns of P875.0 million during the year and recognition of current portion of long-term loans of P82.8 million. Non-current loans payable increased to P612.4 million in 2022 with the availment of five-year term loans of

P700.0 million subject to 5.1 interest annual repricing.

Trade and other payables increased by P222.7 million from P220.9 million in 2021 to P443.7 million in 2022 mainly due to increase in trust receipts payable.

There is no income tax payable outstanding as of December 31, 2022, as compared to P4.0 million in 2021.

Lease liabilities outstanding as at December 31, 2022 was at P104.3 million, with additions of P186.2 million and lease payments of P81.9 million during the year.

Net deferred tax liabilities increased to P20.0 million in 2022 from a net deferred tax assets of P1.5 million in 2021 mostly due to recognition of deferred tax expenses pertaining to lease renewals concluded in 2022.

Post-employment defined benefits obligation increased by 2.8% or P0.2 million from P8.6 million in 2021 to P8.8 million in 2022. The increase was due to the recognized re-measurements on deferred benefits obligation and the related interest cost.

Total Equity

The total equity as at 31 December 2022 was P6,540.4 million, 1.0% higher compared to P6,474.6 million in 2021. Total equity in 2022 consisted of P1,550 million in capital stock, P2,242.8 million in additional paid in capital stock, P2,036.6 million in retained earnings, P2.6 million in revaluation reserves, and P713.7 million of equity attributable to non-controlling interest. For the period ended 31 December 2021, total equity consisted of P1,550.0 million in capital stock, P2,242.8 million in additional paid in capital stock, P1,953.1 million in retained earnings, P3.4 million in revaluation

reserves, and P732.1 million of equity attributable to non-controlling interest.

Retained earnings increased by P83.4 million or 4.3% from P1,953.1 million in 2021 to P2,036.6 million in 2022 as a result of the Group's consolidated net income attributable to shareholders of P122.2 million minus dividend payment of P38.8 million for the year. Meanwhile, the equity attributable to non-controlling interest decreased by P18.4 million or 2.5% from P732.1 million in 2021 to P713.7 million in 2022 mainly due to the recognition of net losses for the period of the subsidiary.



Quarterly High and Low SBS Share Prices (in Philippines Peso)

Year	2020				2021				2022			
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
LOW	5.40	4.81	3.94	4.10	4.20	3.80	4.04	3.55	3.60	3.66	3.40	3.41
HIGH	9.44	5.98	5.07	6.55	5.60	4.50	4.95	4.65	4.30	4.15	4.00	3.95



Schedule of Financial Indicators for December 31, 2022, 2021 and 2020

	2020	2021	2022
Liquidity Ratio ¹	123.1%	112.6%	168.5%
Debt to Equity Ratio ²	37.5%	22.4%	34.1%
Asset to Equity Ratio ³	137.5%	122.4%	134.1%
Return on Assets ⁴	8.0%	2.3%	1.2%
Return on Equity ⁵	11.0%	2.8%	1.6%
Interest Rate Coverage Ratio ⁶	6.90	3.70	3.10
Earnings per Share ⁷	PHP 0.46	PHP 0.12	PHP 0.08

^{1/} Current Assets over Current Liabilities

^{2/} Total Liabilities over Equity

^{3/} Total Assets over Equity

^{4/} Net Income over Average Assets

^{5/} Net Income over Average Equity

^{6/} Earnings before interest and taxes (EBIT) divided by interest expense

^{7/} Net Income over Weighted Average of Common Outstanding Shares

Key Sustainable Development Goals

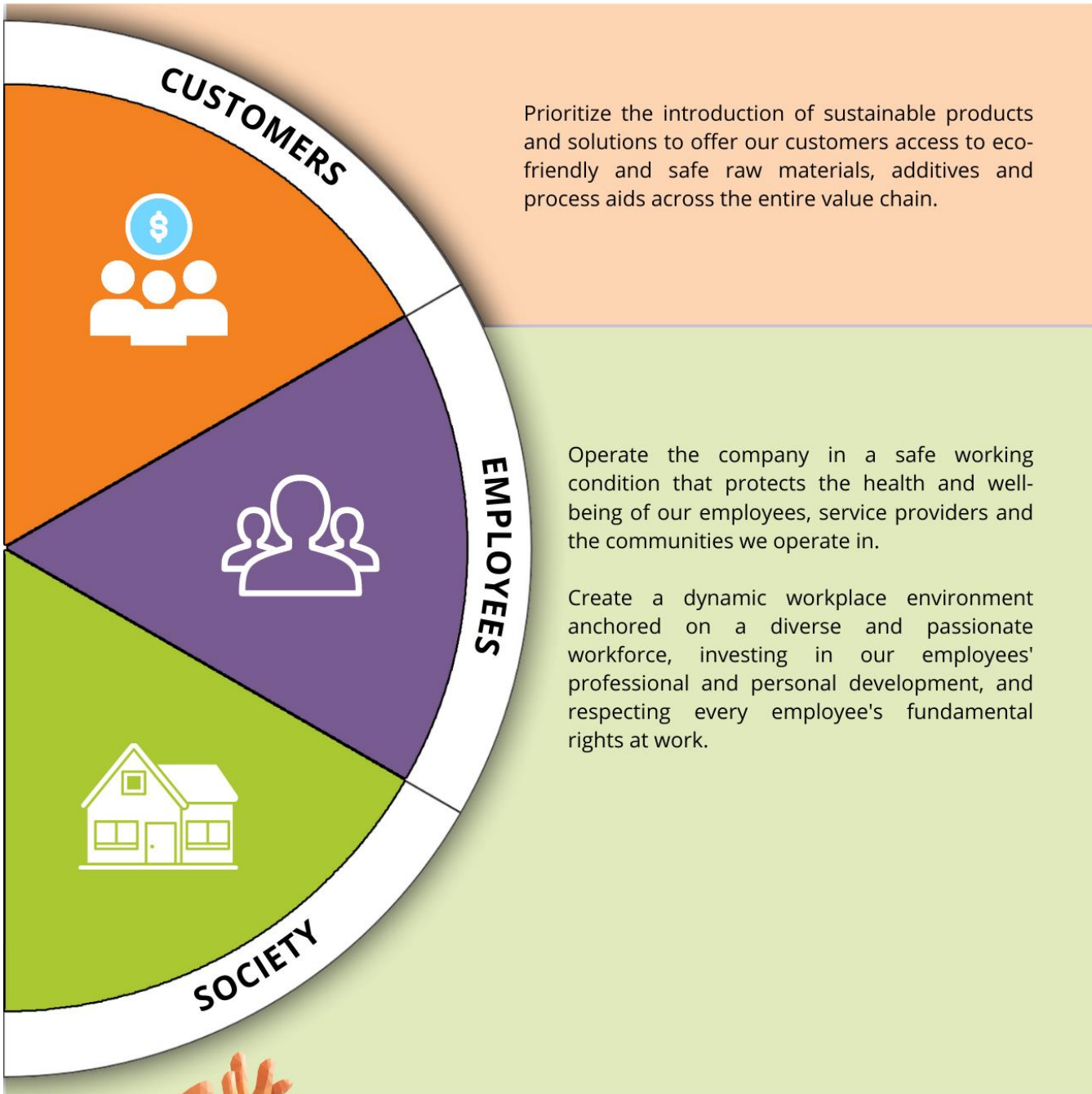
Provide service excellence and continuously seek new business opportunities to improve the Company's financial viability and maximize shareholder value.

Promote a strong corporate governance culture and conduct its business following ethical business principles across the organization.

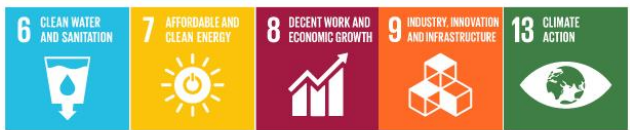
Intensify our action in support of circular economy and invest in appropriate technology to reduce Greenhouse gas emission and enhance the use of available environmental protection initiatives needed as a result of our operations.



**WE COLLABORATE
WITH EVERYONE**



Collaborate with our business partners, customers, local communities, regulators, civil society, and other stakeholders to advance all efforts including our Corporate Social Responsibility activities in support of United Nation's Sustainable Development Goals.



SBS' Contribution to the UN SDG's

We have combined the SBS Sustainability Pillars with the UN SDGs to achieve our goals. We compared our initiatives to the best practices of comparable industries in order to improve people's lives, safeguard the environment, and create an environmentally friendly tomorrow.

SDG Goal	Strategic Initiatives	Progress
Goal 1. End poverty in all its forms everywhere	Create more employment opportunities by growing the Company's business activities in a sustainable way	Invested in additional warehouses to support company growth objectives and provide additional employment opportunities to the local community
Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture	Introduce Products for Bio farming and Farm Revival to improve the yield of the farmland at competitive cost	Created the agriculture business segment which will be one of the growth drivers in the next five years.
Goal 3. Ensure healthy lives and promote well-being for all at all ages	Incorporate health-related policies (e.g. Company Policy on Alcohol and Drug abuse, etc.) in the employee handbook	Firmly implemented company policies
	Provide additional medical benefits to regular employees by 2030, apart from the mandated government health benefits that they can already use	Enrolled HMO plans for regular employees meeting the employment service requirement in accordance to prevailing company policy
Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Increase the average number of training hours for all employees by 2030 to 24 hours annually	Averaged 21.3 training hours per employee in 2022
	Measure the parity indices (female/male, by employee category)	To establish this new metrics for 2023 onwards

SBS' Contribution to the UN SDG's

SDG Goal	Strategic Initiatives	Progress
Goal 5. Achieve gender equality and empower all women and girls	<p>Company policy on non-discrimination; equal opportunity employer</p> <p>Company policy on anti-bullying, anti-harassment, etc.</p> <p>Company's Diversity Policy</p>	<p>Generally balanced number of male and female employees (52:48 ratio in 2022 employee population)</p> <p>Availability of treatment room and lactation area accessible to the employees</p>
Goal 6. Ensure availability and sustainable management of water and sanitation for all	<p>Adopt measures that will reduce water consumption through improvement in water-use</p>	<p>Created the environment and infrastructure business segment, which is one of the growth drivers in the next five years</p>
Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all	<p>Obtain at least 50% of electricity consumption from renewable energy source by 2025 and seek opportunity for growth in this field</p>	<p>Installed solar panels in Rest Haven office and warehouses</p>
Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	<p>Provide information to customers about proper disposal of the product and its packaging material, as defined in the material safety data sheet</p>	<p>Provided copies of Material Safety Data Sheet and Technical Data Sheets to customers</p>
	<p>Provide all means necessary required for the well-being of its most important asset – the employees with a goal of always zero accidents and injuries</p>	<p>Conducted regular training and seminars for all employees from Environment, Health & Safety team</p> <p>Provided group personal accident insurance to all employees</p>
Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	<p>Introduce new products and technologies that support the development of sustainable manufacturing processes and resilient infrastructures</p>	<p>Created the environment and infrastructure business segment for which is one of the growth drivers in the next five years</p>
Goal 13: Take urgent action to combat climate change and its impacts	<p>Reduce its electric consumption by at least 50% and develop an efficient transport strategy to further reduce fuel consumption.</p>	<p>Conducted regular preventive maintenance of delivery trucks to minimize carbon footprint</p>

Single-use Plastic Products Destroy Our Planet



400M tons of plastic produced each year; 50% single-use products

5 Plastic Islands in the Oceans

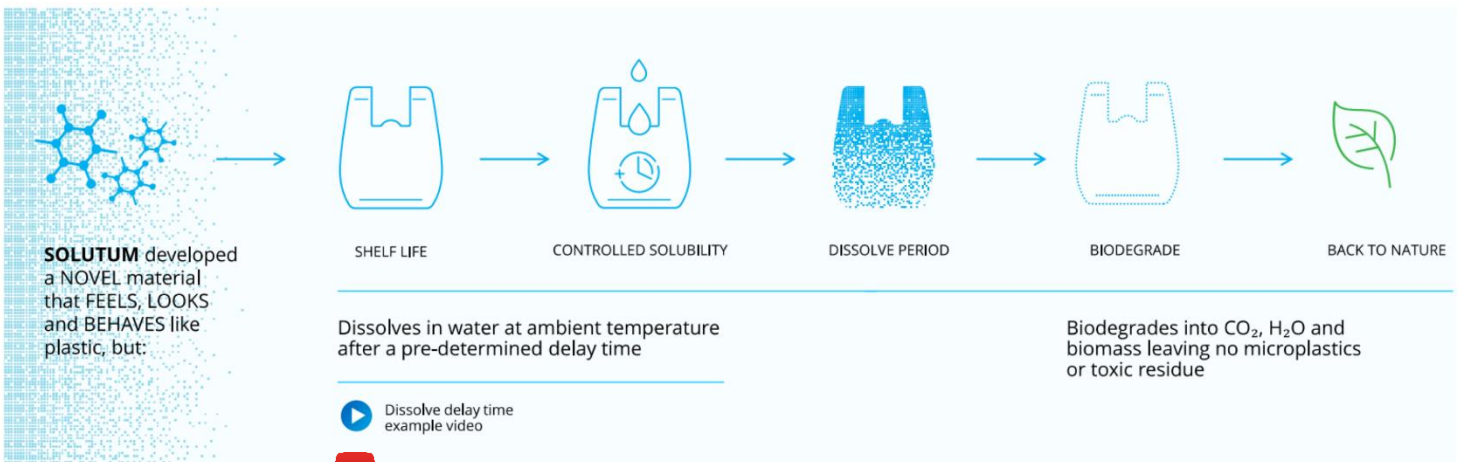
~3.7 Trillion USD Global cost of plastic pollution in 2019

Microplastics regularly found in consumable fish and in human blood

Regulations **increase costs** for producers

Existing solutions **NOT scalable**
NOT cost-effective

A New Bioplastic that Dissolves and Biodegrades in Water



SOLUTUM developed a **NOVEL** material that **FEELS, LOOKS** and **BEHAVES** like plastic, but:


- SHELF LIFE**
- CONTROLLED SOLUBILITY**
- DISSOLVE PERIOD**
- BIODEGRADE**
- BACK TO NATURE**

Dissolves in water at ambient temperature after a pre-determined delay time

Biodegrades into CO₂, H₂O and biomass leaving no microplastics or toxic residue

[▶ Dissolve delay time example video](#)

Competing Technologies

	Feedstock availability	Ease of production	Cost	Solubility	Bio degradability	Gas and Oil barrier
PLA	✗	✗	\$\$	✗	✗*	✗
PHA	✗	✗	\$\$\$	✗	✓	✗
POLYESTER**	✓	✗	\$\$	✗	✓	✗
BIOMASS	✗	✗	\$\$	✗	✗*	✗
BIO-PET/PE/PP	✗	✓	\$	✗	✗	✗
 SOLUTUM	✗	✓	\$	✗	✗	✗

Solutum contributes to 6 of the 17 UN SDGs

- 3 GOOD HEALTH AND WELL-BEING**: Eliminate micro plastic generated from single use plastic from the food chain.
- 9 INDUSTRY INNOVATION AND INFRASTRUCTURE**: Development of better single-use plastic alternative utilizing existing infrastructure.
- 11 SUSTAINABLE CITIES AND COMMUNITIES**: Reduction of spending on environmental damage caused by single-use plastic.
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION**: Decoupling of economic growth from single-use plastic pollution growth.
- 14 LIFE BELOW WATER**: Eliminate single-use plastic pollution in waterways and oceans.
- 15 LIFE ON LAND**: Reduce leakage of single-use plastic to land.





RESPONSIBLE SOURCING POLICY

UNDER EACH FOUNDING PRINCIPLE, WE DEFINE THE RELEVANT REQUIREMENTS THAT WE EXPECT OUR SUPPLIERS TO ADHERE TO ACROSS THEIR OWN BUSINESSES.



**BUSINESS IS DONE
LAWFULLY AND HONESTLY**



**FAIR PROCEDURES AND
REMEDIES ARE AVAILABLE
TO ALL WORKERS**



FAIR LABOUR PRACTICES



**LAND RIGHTS WILL BE
PROTECTED AND
PROMOTED**



**ZERO-TOLERANCE TO
FORCED LABOR AND
HUMAN TRAFFICKING**



**SUSTAINABILITY AND
ENVIRONMENTAL
PROTECTION**



RESPECT OF CHILD RIGHTS



**DIVERSITY AND EQUAL
OPPORTUNITY**



**FREEDOM OF ASSOCIATION
AND COLLECTIVE
BARGAINING**



**PROTECTION OF WORKERS'
HEALTH AND SAFETY**



SCAN TO LEARN MORE



THE BOARD OF DIRECTORS

Esmeraldo A. Tepace
Executive Director

Geocel D. Olanday
Lead Independent Director

Gerry D. Tan
President and CEO

Christine P. Base
Corporate Secretary

Helen T. De Guzman
Independent Director



Ricardo Nicanor N. Jacinto
Chairman

Necisto Y. Sytengco, II
Vice Chairman

Roberto F. Anonas, Jr.
Independent Director

Lali Y. Sytengco
Executive Director

Aylene Y. Sytengco
Vice Chairperson

Board of Directors and Senior Management Profile



Ricardo Nicanor N. Jacinto, 62 years old, was first elected as a non-executive director of the Company on 15 July 2015. On 17 September 2020, he was elected as the Chairman of the Board of the Company, and as the Chairman of the Nomination and Remuneration Committee on 09 November 2020. He is likewise the Chairman of the Board and Independent Director of Maybank Capital, Inc. and Maybank Securities, Inc. He currently also serves as a director of Torre Lorenzo Development Corporation as well as an Independent Director of Metro Retail Stores Group, Inc, Etiqa Life and General Assurance Philippines and Maybank Securities (Thailand) Public Co., Ltd. He was formerly a Managing Director of Ayala Corporation and President & CEO of Habitat for Humanity Philippines. He also served as a director of Manila Water Corporation from 2011-2014. He was formerly a Trustee of the Judicial Reform Initiative and the Institute of Corporate Directors.

Mr. Jacinto earned his BS Business Economics magna cum laude from the University of the Philippines and holds a Masters in Business Administration from the Harvard Business School.



Aylene Y. Sytengco, 39 years old, was first elected as Vice Chairperson on 17 September 2020 and as Chairman of the Finance and Investment Committee on 09 November 2021. She is also a member of the Executive Committee and the Nomination and Remuneration Committee. She joined the Company as Treasurer in 2008 and has served as its Chief Financial Officer since 2013.

She is responsible for the day-to-day management of the financial affairs of the Corporation which covers accounting, financing & treasury, budget & financial planning and investment management. She was first elected as director of the Company in 2008. She also currently serves as an executive director (Director & Treasurer) of the corporations owned by the Sytengco Family which includes Anesy Holdings Corporation, ADZ On Wheels Corporation, Aneco Philippines Holdings Corporation, Anase Holdings Corporation, Baler Industrial Corporation, Canon Philippines Holdings Corporation, Sytengco Enterprises Corporation, Seren Philippines Corporation and ULife Corporation. She holds a degree in BS Management of Applied Chemistry from the Ateneo De Manila University.



Necisto Y. Sytengco II, 38 years old, was first elected as Vice Chairman on 17 September 2020. He is also a member of the following Board Committees: Executive Committee, Corporate Governance and Ethics Committee, Nomination and Remuneration Committee, and Finance and Investment Committee. He joined the Company as Purchasing Officer in 2008 and was appointed as VP Sales in 2010 and SVP – Marketing Operations in 2015 and Assistant Treasurer on 9 July 2015. He is responsible for planning and implementing sales and marketing programs of the Company. He also currently serves as the Chairman of Anesy Holdings Corporation, and an executive director (Director & Vice President) of the corporations owned by the Sytengco Family

which includes Aneco Philippines Holdings Corporation, Berny Philippines Holdings Corporation, Selec Holdings Corporation, Tamni Holdings Corporation, and ULife Corporation. Mr. Necisto Y. Sytengco II has more than 15 years of experience in the distribution and chemical business. He earned his BS Entrepreneurial Management Degree cum laude from the University of Asia and the Pacific.



Gerry D. Tan, 56 years old, joined the Company in January 29, 2016 as President & Chief Executive Officer. He was first elected as director of the Company in 2016 and as Chairman of the Executive Committee on 17 September 2020 and a member of the Finance and Investment Committee.

Mr. Tan has over 35 years of experience in the chemical distribution industry in the Philippines and the Asia-Pacific region. Prior his appointment in the Company, he was Senior Adviser and General Manager of Bluestar Silicones Asia-Pacific and a board director of Bluestar Silicones Shanghai. He led a successful career spanning key senior positions at Bluestar Silicones Asia-Pacific (2007 – 2015), Rhodia Silicones Asia-Pacific (1998- 2007) and Rhone-Poulenc Philippines (1986-1998). Mr. Tan earned his BS Chemistry degree magna cum laude from Siliman University and holds a Masters Degree in Business Administration from the Ateneo de Manila University.



Esmeraldo A. Tepace, 69 years old, joined the Company in 2004 and has served as its Chief Operating Officer/General Manager since 2004. He was first elected as director of the Company in March 5, 2015 and is also a member of the Executive Committee. On 22 June 2022, Mr. Tepace was elected as member of the Corporate Governance Committee. Prior to joining the Company, he was the Sales & Marketing executive of Baler Industrial Corporation, JY International Marketing Corporation, CAWC, Inc. and Chemphil Manufacturing Corporation. Mr. Tepace has over 40 years of experience in the chemical distribution business in the Philippines. He also currently

serves as President of the following corporations owned by the Sytengco Family: ADZ on Wheels Corporation; Aneco Industries Corporation, Baler Industrial Corporation, Sytengco Enterprises Corporation, Seren Philippines Corporation and ULife Corporation. Mr. Tepace graduated from Manuel L Quezon University with a degree on BS Chemical Engineering.



Lali Y. Sytengco, 72 years old, joined the Company in 2001 and has since served as the VP for Purchasing. She was first elected as director of the Company and a member of the Executive Committee on 17 September 2020. She is responsible for overall procurement including product sourcing, supplier relationship management and supply chain of the company. She has over 20 years' experience in chemical procurement business. She is a graduate of University of Sto. Tomas, with a degree in BS Medical Technology.



Geocel D. Olanday, 67 years old, was elected as independent director on 22 June 2018, Lead Independent Director since 22 May 2019 and Chairperson of the Corporate Governance and Ethics Committee since 22 June 2022. He is also a member of the Audit and Risk Oversight Committee, the Related Party Transactions Committee, the Finance and Investment Committee, and the Nomination and Remuneration Committee. He is a CPA, holds a Masteral degree in Business Administration from the University of the Philippines where he also graduated with a degree of Bachelor of Science in Business Administration and Accountancy.

He is concurrently the CEO and Chief Advisor of Amaris Global Advisory Services (HK) Ltd. (Corporate Restructuring, Business Development & Financial Advisory; Transportation, Real Estate, ICT, etc.), a member of the Board of Trustees of the Institute of Corporate Directors and one of its most active Teaching Fellows, and a director of the board of Star 8 Green Technology Corporation (developer, manufacturer, and distributor of Solar E-Vehicles). Prior to his appointment, Mr. Olanday was a director of Mindoro Resources Ltd (a TSX-V listed junior mining company) and several subsidiaries of the Villar Group Real Estate businesses (Camella, Brittany, Crown Asia, Star Mall, Golden Haven, MGS Construction, Primewater, Planet Cable (now part of the Streamtech group), Vitacare Hospital JV, Metro Express Transportation, Environet Pest Control, Globalland Property Management, etc.). In addition, he has over 40 years of work experience in senior executive positions in General Management, Finance, Marketing and Strategy & Business Development in various companies which include among others: Citibank NA, Unilever Philippines, Baxter Healthcare Corporation, the Villar Group of Companies as well as Moldex Realty Corporation and Greenfield Development Corporation. His advocacies include stints as COO of Habitat for Humanity, and President of i-Home Foundation Inc – both of which are Poverty and Socialized Housing NGOs.



Roberto F. Anonas, Jr., 67 years old, was elected as independent director on 9 October 2017 and is the Chairperson of the Related Party Transaction Committee since 22 June 2022. He is also a member of the Audit and Risk Oversight Committee, the Corporate Governance and Ethics Committee, and the Finance and Investment Committee. He is currently Director and General Manager at Fuji Haya Electric Corporation and Director at Fuji Haya International Corporation. He is also an Independent Director and Chair of the Audit Committee of Macay Holdings, Inc.

He holds a Masters in Business Administration from IMEDE, a Management Development Institute under the University of Lausanne, Switzerland and is currently a member of the faculty of the University of Asia and the Pacific, School of Management as Head of the New Business Ventures Module in the Entrepreneurial Management Program.

He has attended training programs in financial management, investment and universal banking with Dillon Read & Co, NYC and Dresdner Bank AG, Frankfurt and has previously held senior management

and executive positions in PLDT, PCI Capital Corporation and Philippine Commercial Capital, Inc. He is also a director of Pentarch Stalwark Builders, Inc.



Helen T. De Guzman, 65 years old, was first elected as independent director of SBS Philippines Corporation on 22 May 2019 and is the Chairperson of the Audit and Risk Oversight Committee and a member of the Related Party Transactions Committee and the Corporate Governance and Ethics Committee. Helen holds an Executive Masteral degree in Business Administration dean's list from the Asian Institute of Management. She is a certified public accountant, certified internal auditor and has global certification on risk management assurance. Currently, she is an Audit Committee advisor of the Peace and Equity Foundation Inc., independent director of Etiqa Life and General Assurance Philippines, Treasurer of Couples for Christ Global Mission

Foundation, Inc. and a teaching Fellow of the Institute of Corporate Directors. Previously she held directorship positions in Miescor Builders, Inc., Customer Frontline Solutions, Inc., and the Philippine Institute of Certified Public Accountants, Institute of Internal Auditors - Philippines, and the Asian Confederation of Institutes of Internal Auditors. Helen is a seasoned chief audit executive and a former external auditor.

In addition, she has work experience in senior executive positions in comptrollership, treasury and general management in various companies, which include Metro, Inc., Computer Information System, Inc. and the Manila Electric Company.



Christine P. Base, 52 years old, was appointed as Corporate Secretary of the Company in January 1, 2017. Atty C. P. Base is a senior partner of Pacis & Reyes Law offices and is both a lawyer and CPA by profession. She obtained her J.D. degree from the Ateneo De Manila University. She also serves as corporate secretary and director of the following companies: Itaipinas Development Corporation and Anchor Land Holdings, Inc. and other private companies. She also serves as the corporate secretary for SL Agritech Corporation, Ever Gotesco Resources and Holdings, Inc., Asiasec Equities, Inc., and Araneta Properties, Inc.

Aileen Lou G. Codamon, 42 years old, joined the Company in 2020 and was appointed as Assistant Vice President – Controller on 17 September 2020. She was previously the AVP-Finance for Gigawatt Power Inc. She also served as Manager for Financial Planning Analysis for Solaire Resort and Casino, and as Finance Manager for World Citi Group and Crowne Plaza Manila Galleria. She is a Certified Public Accountant, and has ongoing studies in Master in Business Administration with the De La Salle University's Graduate School of Business.

Emerson P. Paulino, 42 years old, was appointed as Chief Risk Officer and Chief Audit Executive on 10 August 2021. He joined the Company in 2016 as the Internal Auditor. He pioneered the formation of the Internal Audit Department – establishing the Internal Audit plan, program and risk profile for audit. Mr. Paulino is a certified public accountant (CPA) and a certified internal auditor (CIA). He has over 15 years of experience (including supervisory and managerial level) in Internal Audit in areas of

manufacturing, IT, project management, finance (SOX), sales and administration. His professional work experience also extends to SAP security and IT audit involving multinational firms and conglomerate businesses.

In 2018 up to 2020, he led the implementation of ERP project of the Company as its Project Manager. He was a part time professor of Accounting and Audit subjects from 2016 to 2018 in the Immaculate Heart of Mary College in Paranaque. Mr. Paulino completed his Bachelor of Science in Accountancy from the University of Perpetual Help; and also in Philippine School of Business Administration Manila (PSBA Manila) in his first two collegiate years.

Jose Fidel R. Acuña, 37 years old, is the Chief Information Officer since 1 April 2018 and Chief Compliance Officer of the Company since 17 September 2020. He earned his Bachelor's Degree in Law at Far Eastern University, and Bachelor of Arts Major in Legal Management at the University of Santo Tomas. He is currently the Managing Partner of Acuña, Francisco, & Mendoza Law and the Corporate Secretary for TRBank, Inc. He is also a Director and/or Corporate Secretary for several private corporations.

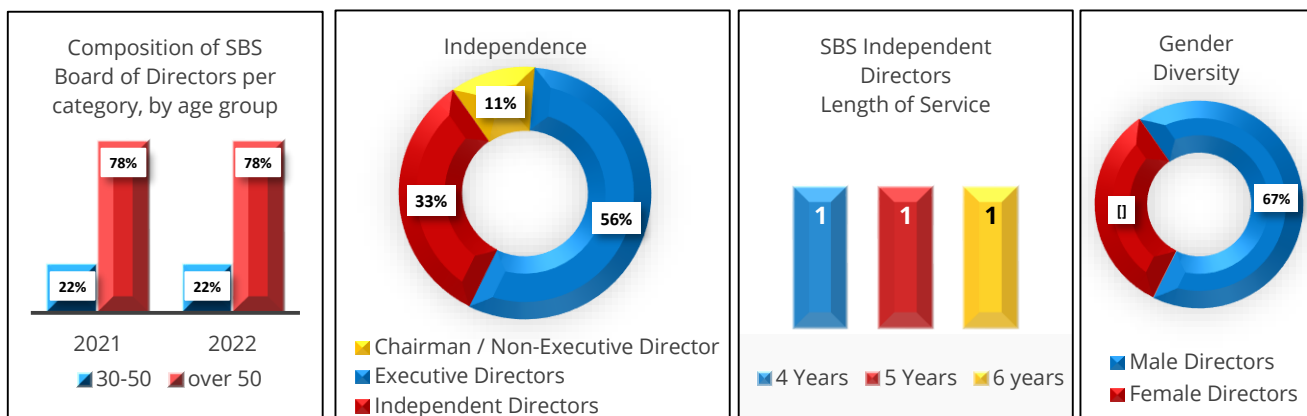
Sabrina Adamelle Poon-Sytengco, 38 years old, is the Investor Relations Officer of the Company since 1 January 2017. Prior to her joining the Company, Ms. Poon previously worked as Program Officer in the Office of the Presidential Adviser on the Peace Process. She holds a Bachelors of Arts degree in International Studies, Major in International Relations from Miriam College and continuing education units in Women and Gender Studies from University of Delaware.

Jose Ma. Jason J. Francisco, 36 years old, was appointed as Data Privacy Officer on 25 June 2021. He is a lawyer with a Juris Doctor degree and a degree in Bachelor of Arts, major in Legal Management. He is a Senior Partner of Acuña, Francisco & Mendoza Law ("AFM Law"), and in charge of AFM Law's corporate litigation and data privacy practice. He also heads AFM Law's labor, real estate, housing, contracts, torts, family and election law practice.



Board of Composition, Diversity and Balance

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 encouraged critical discussions and promote sound decision-making in the pursuit of the Company's strategic objectives and sustainable development.



Skills and Attributes of the Board of Directors

Desired/Needed Skills, experience, attributes	Board of Directors Competencies								
	RNNJ	AYS	NYS	GDT	EAT	LYS	HTG	RFA	GDO
Business Management	✓	✓	✓	✓		✓	✓	✓	✓
Supply Chain		✓	✓			✓			✓
Sales and Marketing			✓	✓	✓	✓		✓	✓
Technology Background		✓	✓	✓	✓				
Finance and Accounting	✓	✓	✓			✓	✓	✓	✓
Audit and Internal Controls		✓				✓	✓		✓
Risk Management	✓				✓	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strategy Formulation	✓	✓	✓	✓	✓			✓	✓
Others	✓		✓				✓		
	Economics		IT						

RNNJ - Ricardo Nicanor N. Jacinto

AYS - Aylene Y. Sytengco

NYS - Necisto Y. Sytengco, II

GDT - Gerry D. Tan

EAT - Esmeraldo A. Tepace

LYS - Lali Y. Sytengco

HTG - Helen T. De Guzman

RFA - Roberto F. Anonas, Jr.

GDO - Geocel D. Olanday

Corporate Governance

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

The Board of Directors supervises the business affairs of the Company. The Board believes that good corporate governance is a critical factor in achieving business success, aligning management and shareholder interests, and fulfilling the company's responsibilities to its stakeholders.

In its continued effort to enhance the Company's good corporate governance practices, the Company adopted a Revised Manual on Corporate Governance 2021 ("CG Manual 2021") on November 9, 2021 and submitted the same to the Securities and Exchange Commission on December 10 of the same year.

The Company once again received the prestigious Golden Arrow Award of the Institute of Corporate Directors ("ICD") on January 20, 2023. The award was given by ICD 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 2020. ICD is the official Philippine representative of the Securities and Exchange Commission to the panel of ASEAN corporate governance experts that administers the ACGS.

The highlights of the Company's corporate governance practices in 2022 in accordance with the Company's CG Manual are described

below. A full report on the Company's compliance with the guidelines set under the Code of Corporate Governance for Publicly-Listed Companies is provided in the 2022 Integrated Annual Corporate Governance Report, a copy of which is available at the Company's website: www.sbsph.com

Board Structure and Process

The Company's corporate powers are exercised, and its business conducted by the Board of Directors (the "Board"). There are nine directors on the Board headed by its Chairman who is a non-executive director. Five (5) are executive directors with specialized competencies in business and supply chain management, sales and marketing, accounting and finance. Three (3) are independent directors with specialized competencies in audit and internal controls, corporate governance and risk management, business development and strategy formulation.

On November 10, 2022, the Board approved to increase from five (5) to six (6) the number of directors to constitute a quorum for the transaction of corporate business. This represents two-thirds (2/3) of the total board membership to ensure adequate representation of all stakeholders' interests. This is more than the legally required simple majority and is consistent with best corporate governance practice. In general, every decision of a majority of the quorum duly assembled as a Board is valid as a corporate act. It is, however, a standard practice that Independent Directors are a substantial part of the quorum and are involved in the deliberation and approval of all corporate acts requiring board approval.

The members of the Board are elected during each regular meeting of the shareholders by the vote of shareholders representing the majority of the issued and outstanding capital

stock of the Company. Any vacancy occurring in the Board other than by removal of a director prior to the expiration of such director's term may be filled by a vote of at least a majority of the remaining members of the Board, if still constituting a quorum. Otherwise, the vacancy must be filled by the shareholders at a meeting duly called for the purpose. Any director elected in this manner by the Board shall serve only for the unexpired term of the director whom such director replaces and until his successor is duly elected and qualified.

The Board works together in a spirit of collective responsibility to provide strategic direction, entrepreneurial leadership, and guidance to Management. Its duties include:

- approving strategic plans and annual budgets
- monitoring financial performance
- ensuring that financial statements are true and fair
- determining the Company's capital/debt structure
- setting dividend policy and declaring dividends
- approving major acquisitions and divestments
- reviewing its risk management framework and system
- overseeing the performance of Management
- setting Company values and standards
- considering sustainability issues in formulating strategies
- ensuring succession planning

Upon joining the Board, new members go through an orientation process where they are briefed by the Corporate Secretary, Compliance Officer, and Management on their fiduciary responsibilities as directors, the Company's governance policies and procedures, and the regulatory and industry developments affecting its business and operations. As part of the continuing development program for the members of the Board, the directors attended various corporate governance courses conducted by the Institute of Corporate Directors, Philippine Stock Exchange and Securities and Exchange Commission in 2022. Topics covered during these sessions are based on an individual's requirements for enhancement of their knowledge and skills such as Climate Disclosure Training program; ESG strategy; Technology governance for directors; Disruptive Innovation; SEC-GRI Workshop; PSE-SEC Corporate Governance Forum; Strategy Execution Pathway Essentials; Accelerating the energy transition and inclusive development; and AMLA compliance in the age of the digital world.

The Board agenda for each meeting is set by the Chairman in consultation with the President and Company Secretary. Board papers providing comprehensive information on the agenda items are generally circulated to the Directors at least five (5) business days prior to each meeting to enable them to consider the matters in advance and prepare for the meeting. Operations and financial reports are also provided to the Board on a regular basis. This information includes quarterly reports on sales and financial performance versus budget, regulatory compliance, investment proposals, special projects, and subsidiary developments. Directors have open access to Senior Management, the external auditor and information for the purpose of carrying out their duties.

There was a total of nine (9) Board meetings held in 2022.

Non-executive members of the Board regularly conduct executive session meetings amongst themselves. They also hold separate meetings with the External Auditor, the Internal Auditor, and the Compliance Officer at least once a year or as needed.

Board Committees

The Board currently has six (6) principal standing committees to assist in discharging its responsibilities. The work and actions of these committees are regularly reported to and monitored by the Board.

Executive Committee (ExeCom)

The Executive Committee was established with the delegated authority to act on managerial and operational matters which are within the competence of the Board except the following authorities that are specially reserved for the Board: (a) approval of any action of which shareholder approval is also required; (b) amendment or repeal of By-Laws or adoption of new By-Laws; (c) approval of the annual report and accounts; (d) exercise of powers delegated by the Board to other committees; (e) board appointments and removals; (f) selection of the Chairman and President & Chief Executive Officer and appointments for Board membership following recommendations from the Nomination Committee; (g) appointment or removal of the Corporate Secretary and Treasurer; (h) appointment, reappointment or removal of the external auditor; (i) distribution of cash dividends to shareholders; and (j) powers delegated by the Board to other Board Committees.

In practice, the Executive Committee assists the Board in discharging its responsibilities during the periods between Board meetings by acting on items related to day-to-day operations that require board approval for compliance purposes by the counter-parties.

In 2022, the Executive Committee held nine (9) meetings to act on such matters. The Executive Committee is composed entirely of Executive Directors with management functions.

All acts of the Executive Committee for the period immediately prior to its regular meetings are presented to the Board for ratification in the next regular board meeting.

Audit and Risk Oversight Committee (AROC)

The Audit and Risk Oversight Committee (AROC) assists the Board in fulfilling its oversight responsibilities for the financial reporting process, enterprise risk management and system 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.

From June 22, 2022, the Committee is composed of three (3) members, all are independent directors. The Committee meets at least quarterly or as often as may be necessary.

In 2022, the Audit and Risk Oversight Committee held a total of five (5) meetings comprising of four (4) regular meetings and one (1) executive session with the internal and external auditors.

The committee conducted the following activities:

1. Reviewed with Management and the External Auditors, Punongbayan and Araullo, the Audited Parent Company and Consolidated Annual Financial Statements of SBS Philippines Corporation and Subsidiaries, including the related significant judgments and estimates of

- Management, and endorsed the audited financial statements to the Board for approval;
2. Reviewed with Management the quarterly unaudited financial statements of the company before their submission to the Board for approval and the filing of the same with the Securities and Exchange Commission;
 3. Reviewed updates on risk management activities of the parent company including the reasonableness and effectiveness of its business continuity plan in the light of the ongoing pandemic;
 4. Reviewed the overall evaluation of the Company's internal control system by the Internal Auditor, whether this is adequate and effective, whether Management has undertaken appropriate action to address Internal Audit findings and recommendations;
 5. Reviewed and assessed the Internal Audit's plan and scope of audit for the year, the examination process and audit focus, and the results of the audit including the responses of Management to its reports;
 6. Assessed the independence and evaluated the performance and compliance of the External Auditors on Philippine standards of auditing and endorsed the re-appointment of Punongbayan and Araullo to the Board as the independent External Auditors of the Company for the ensuing year;
 7. Reviewed and approved the audit plan and scope of work of the External Auditors including its audit emphasis and impact of any new Accounting Standards applicable to the Company, coordination with Internal Audit, including their related quality control procedures in the audit of the annual financial statements;
 8. Reviewed periodic report of audit activities, investigations and results of audits undertaken by Internal Audit in accordance with the approved plan;
 9. Reviewed and approved Management's request for non-audit service from the External Auditors;
 10. Held separate executive sessions by the non-executive and independent directors with the Chief Audit Executive and the external auditors without the presence of Management to discuss issues;
 11. Obtained Management's reasonable assurance on the status of compliance of the Company with applicable laws and regulations and internal rules and policies of the Company; and
 12. Performed self-assessment and reviewed the performance of the Committee vis-à-vis its Charter.
- Related Party Transactions (RPT) Committee*
- The Related Party Transaction (RPT) Committee was created as a separate committee on September 19, 2019 to assist the Board in fulfilling its oversight responsibilities in the implementation and review of the Related Party Transaction (RPT) policy of the Company for internal control purposes and in compliance with laws and regulations.
- The Committee is composed of three (3) members, all of whom are independent directors. An Independent Director is designated as the Chairman of the Committee and presides over its meetings.
- In 2022, the Related Party Transaction Committee held two (2) meetings. It reviewed and ratified the related party transactions of the Company that are recurring in nature and previously approved by the Board. It also reviewed and endorsed to the Board for approval related party transactions that were below the Material RPT Transaction threshold

such as new lease agreements and extension of lease agreements.

Corporate Governance and Ethics (CGE) Committee

The Corporate Governance and Ethics (CGE) Committee assists the Board in the performance of its corporate governance responsibilities. The committee is tasked to assess the effectiveness of the Company's governance and ethics policies and its compliance thereto.

The CGE Committee is comprised of five (5) regular members, three of whom are independent directors. The CGE Committee is chaired by the lead independent director. All approvals decided by the CGE Committee require a majority vote among the independent directors for the motion to be approved.

In 2022, the CGE Committee held three (3) meetings wherein the Committee performed the following activities:

1. Reviewed the 2021 Integrated Annual Corporate Governance Report (i-ACGR);
2. Reviewed and endorsed to the different Committees and the Board proposed actions to improve the Company's corporate governance processes;
3. Conducted the annual Board and Committee performance assessment; and
4. Reviewed and endorsed to the Board the following board committee charters:
 - a. Amended Audit and Risk Oversight Committee charter.
 - b. Amended Corporate Governance and Ethics Committee charter.

The CGE Committee reviewed the effectiveness of the corporate governance framework

through an annual confidential performance evaluation of the effectiveness of the Board, its committees, and the contribution of each director. Factors considered in the performance assessment include regular attendance during meetings, preparedness for meetings, active participation and contribution to board decisions, strategic insights and candid communication, and diversity of experience and background of directors, among others.

The Committee is satisfied that all directors carried out their duties in a professional manner and demonstrated their commitment and availability to attend to the affairs of the Company.

Nomination and Remunerations (NR) Committee

The Nomination and Remuneration (NR) Committee's role is to support and advise the Board in ensuring that it is comprised of individuals who are best able to discharge the duties and responsibilities of Directors and that the Company has the appropriate nomination and remuneration standards and practices in place. It is responsible for evaluating the qualifications of all candidates nominated for election to the Board of Directors and the effectiveness of the processes and procedures for the nomination, election, or replacement of a director. Related to this, it oversees the annual performance evaluation of each director. It is likewise tasked with ensuring that existing directors remain qualified to hold their directorship positions in the Company.

The Committee also helps identify the senior management skills and expertise required to meet the needs of the Company. The NR Committee is also tasked with ensuring that a succession plan is in place by reviewing the complex leadership requirements of the Company. The Committee currently is chaired by the Chairman of the Board and has three (3) regular members including the lead independent director.

To assist the Board in ensuring that the compensation framework for the organization is aligned with the long-term interests of the Company, the NR Committee also reviews the structure and competitiveness of the Company's employee compensation program. The directors receive reasonable per diem allowances for each meeting. There are no other arrangements in which directors are compensated, or are to be compensated, directly or indirectly, for any other services provided.

In 2022, the NR Committee held three (3) meetings wherein the Committee performed the following activities:

1. Reviewed the qualifications of the nominees for election to the Board of Directors during the ASM, including those for independent directors;
2. Approved and endorsed to the Board the list of eligible nominees for election to the Board of Directors;
3. Conducted the annual performance evaluation of each director;
4. Assessed the Company's succession planning; and
5. Reviewed the remuneration of directors.

Finance and Investment Committee (FIC)

The Finance and Investment Committee (FIC) assists the Board in the performance of its oversight function to ensure that: (a) all projects and investment proposals and their funding requirements are consistent with the business strategy of the Corporation; (b) are within approved policies and budgets for said projects; and (c) major financing initiatives, proposals, and credit line renewals are reviewed prior to submission to the Board for securing Board approval and subsequently monitored on behalf of the Board.

The Committee is composed of five (5) members, of which two (2) are independent directors. It is chaired by the Company's Chief Finance Officer.

In 2022, the FIC held two (2) meetings. It reviewed and endorsed to the Board for approval the availment of a five (5) year term loan.

Internal Audit and Control

SBS Philippines has an established internal audit function that functionally reports to the Audit and Risk Oversight Committee. The Company maintains an internal control system designed to promote efficiency, reduce the risk of asset loss, and help ensure the reliability of financial statements and compliance with laws and regulations. The effectiveness of the internal control system is monitored and reviewed by the Company's Internal Auditor to ensure the internal control system is adequate and effective. The Chief Audit Executive periodically reports to the Audit and Risk Oversight Committee on the internal audit activities covering the review of risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by senior management and the Board.

The Company employs the "Three Lines of Defense" approach. The employees and associates involved in operations serves as the first line of defense by strictly adhering to company policies and procedures. The line supervisors and managers as well as the compliance function being the second line of defense are actively engaged in managing risk. All these are monitored by the Audit and Risk Oversight Committee through the audit work and reports of internal audit.

In 2022, there were no significant issues noted based on the results of the audit reviews conducted. The Company's External Auditors also reviewed the effectiveness of the internal

controls related to financial reporting as part of their audit plan for the year. The Company continuously endeavors to further enhance and improve the Company's system of internal controls.

Risk Management

Due to its dynamic business environment, the Company's business activities are exposed to various types of risks and opportunities. The risk management philosophy of the Company is to mitigate the possible adverse outcomes of these risks while maximizing the positive contribution of options to secure long-term value for our shareholders.

Risk management is an integral part of the Company's strategic and operational planning, as well as day-to-day management and decision making. The Company is committed to identifying, analyzing, addressing and monitoring various exposures that may impact its business objectives.

The Company's operations and financial policies and procedures were developed with safety and risk management objectives in mind. These are constantly reviewed and updated to address new risks that may arise from time to time. Training programs that emphasize the importance of risk management and the risk responsibilities of personnel at different levels of the organization are periodically held to ensure that sound risk management and safety practices are implemented in day-to-day operations.

As a Company with chemical distribution activities, safety in transport, storage, operational practices and working conditions is a primary focus of its risk management efforts. Developing a strong safety culture is an integral part of the Company's operations. It strictly adheres to all relevant laws, regulations and safety standards that govern its operations. It continuously seeks to improve its

processes and enhance its recognition, evaluation and control of hazards.

In 2022, the Company developed its Risk Management Program using defined Key Risk Indicators to monitor the priority and critical areas of the Company.

Protection of Shareholder's Rights and Interests

The Company attaches great importance to the protection of shareholder rights and interests. In line with this, the Company facilitates the exercise of their rights by ensuring shareholders have the opportunity to participate effectively in and vote at the Shareholders' Meetings either in person or by proxy.

To encourage shareholder participation at shareholders' meetings, the Board of Directors ensures that the venue for the meeting is centrally located and easily accessible by public transportation and that the voting procedures are explained in advance. Notice of shareholder meetings is communicated to shareholders through the Company website and the PSE Edge Disclosure System. Shareholders are provided with sufficient information in the Information Statement which is sent to them at least 21 days in advance to enable them to make informed decisions on matters submitted for their consideration. Resolutions on each agenda item are tabled separately to enable shareholders to vote for each item and the results of the votes taken are reported during the meeting and made publicly available in the Company's website the day following the meeting. Shareholders are given the opportunity to communicate their views and direct questions to Directors and Senior Management regarding the Company during shareholder meetings and by communicating through the Company's Investors Relations Office.

Material information such as corporate developments and financial and operational results are disclosed in a timely manner to all shareholders via the Philippine Stock Exchange Edge Portal, the Company's website, press releases, annual reports, and shareholders' meetings.

The Company has adopted a written policy regarding transactions with related persons where no significant related person transaction shall be consummated or shall continue without the approval or ratification of the Related Party Transactions Committee. The Related Party Transaction Committee considers all factors it deems relevant and will only approve or ratify those that have undergone stringent review and are found to be in the best interests of the Company and all its stockholders.

Stakeholder Relationships

The Company is committed to building strong relationships with all its stakeholders by promoting trust, proper stewardship, and confidence in its integrity.

To ensure that its business is operated responsibly and with integrity, the Company has an established a code of conduct that sets out the personal and professional behavior expected from all its members.

- All directors, officers and employees have a duty to always act in, and uphold the best interests of the Company. They shall work under a culture of integrity and excellence and with a sense of accountability, transparency, and urgency. They are expected not to use their position in the Company to acquire a benefit or advantage for their own or related interests and shall treat everyone with honesty, courtesy, consideration, a friendly spirit of cooperation, and mutual respect. Dealings with suppliers and contractors are to be conducted professionally and objectively, and no director, officer, or employee shall
- engage in any unfair dealing practices nor take undue advantage of customers, suppliers, business partners, competitors, and the government through manipulation, concealment, or misrepresentation of material facts.
- The Company is committed to promoting the safety, well-being, and professional development of its employees and maintaining a work environment that fosters harmonious, productive working relationships and encourages mutual employee respect. There is zero tolerance for sexual or any kind of harassment and other actions that violate an employee's basic safety or dignity.
- The Company promotes a culture of learning, employee involvement, and a diversity of opinion and open debate. Conflicts or disputes are addressed through discussion, negotiation, mediation, arbitration and lastly resort to judicial processes. The Conflict of Interests Policy provides protocols for the conflict resolution and management.
- The Company imposes disciplinary measures on directors, officers and employees whose conduct deviates from those prescribed under the Company policies and guidelines such as but not limited to those provided under the Company's Revised Manual of Corporate Governance 2021, Code of Conduct and Ethics, Employee Handbook, Conflict of Interests Policy and By-Laws and subject to the grievance procedure and requirements prescribed by law. To date, there have been no instances of disciplinary measures taken on any member of the board or officers of the Company.
- Under the Company's Whistleblowing policy, employees are encouraged to confidently raise genuine issues and concerns of serious wrongdoing,

improprieties, or risks in the conduct of the business of the Company to his service line manager. If there are reservations to raise the matter to service line managers, the concern may be elevated either to the Compliance Officer or any of the Independent Directors by submitting an incident report. This policy aims to deter and uncover corrupt, illegal, unethical, fraudulent conduct that is detrimental to the interests of the Company. There have been no whistleblowing cases as of this writing.

- The Company has adopted a code of conduct that prevents its directors and officers from undertaking securities dealing at any time after a price sensitive development has occurred, or has been subject of a decision, until the price sensitive information has been publicly announced.

Approach to Sustainability

The Company is committed to ensuring the sustainability of its business by managing the economic, environmental, social, and governance effects of its strategies and operations in a responsible manner.

The 2022 Sustainability Report (the “Report”) is the second comprehensive report of SBS on the Company’s sustainability performance as of and for the year ended December 31, 2022. The Report covers the operations and employees of SBS Philippines Corporation excluding its subsidiary SBS Holdings and Enterprises Corporation and associated companies. The following stakeholders were considered in the assessment of key material topics: customers, suppliers, employees, shareholders, regulators, and the local communities where SBS has operations.

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

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. A copy of the report is available from the Company’s website www.sbsph.com.



Board Compensation and Remuneration

Executive Officers Summary Compensation Table

Name and Principal Position	Year	Salary (in PHP)	Bonuses (in PHP)	Others (in PHP)
Gerry D. Tan President and CEO	Projected 2023	7,988,018	300,000	3,629,616
Esmeraldo A. Tepace EVP and COO	Actual 2022	7,502,878	380,000	3,365,946
Aylene Y. Sytengco Chief Financial Officer & Treasurer				
Necisto Y. Sytengco, II SVP Marketing Operations & Assistant Treasurer				
Aileen G. Codamon AVP-Controller	Actual 2020	5,804,458	203,773	3,853,360
All other officers and directors as a group unnamed	Projected 2023	2,822,181	60,000	897,751
	Actual 2022	2,460,901	0	853,539
	Actual 2021	2,028,409	39,158	847,955
	Actual 2020	1,179,633	32,731	977,747

Standard Arrangements for the Board of Directors

From 22 June 2022, each independent and non-executive Director receives a per diem allowance of P35,000.00 for every attendance in regular meetings and special meetings of the Board of Directors. In addition, the independent and non-executive directors also receive a per diem allowance of P20,000.00 for each Board Committee meeting attended.

Prior to the said date, each independent and non-executive Director received a per diem allowance of P25,000.00 for every attendance in regular meetings and special meetings of the Board of Directors. The independent and non-executive directors also received a per diem allowance of P10,000.00 for each Board Committee meeting attended.

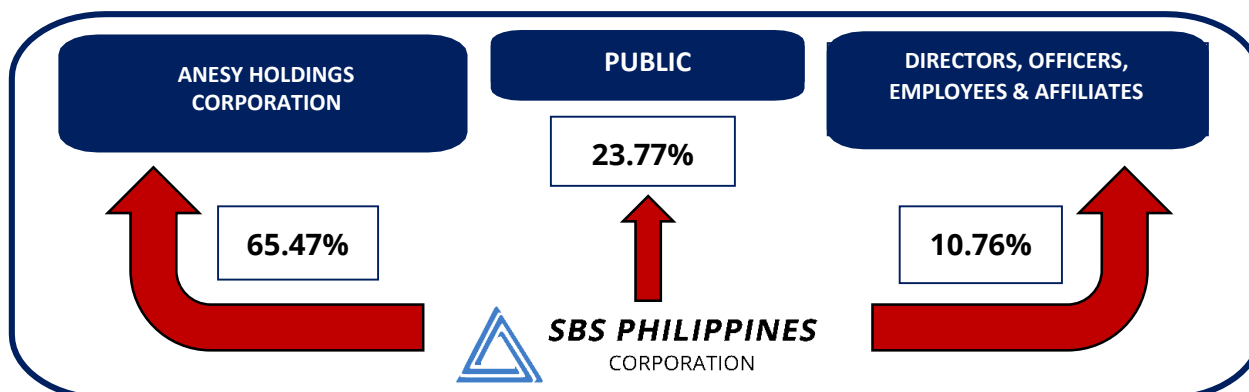
Director	Directors' Fees (2020)	Directors' Fees (2021)	Directors' Fees (2022)	Directors' Fees (Projected 2023)
Lali Y. Sytengco Gerry D. Tan Esmeraldo A. Tepace Aylene Y. Sytengco Necisto Y. Sytengco, II	Executive Directors do not receive any compensation or per diem by reason of their directorship.			
Ricardo Nicanor N. Jacinto	Php 345,000	Php325,000	Php 285,000	Php 320,000
Geocel D. Olanday	Php 375,000	Php385,000	Php 445,000	Php 480,000
Roberto F. Anonas, Jr.	Php 350,000	Php335,000	Php 340,000	Php 440,000
Helen T. De Guzman	Php 350,000	Php325,000	Php 385,000	Php 420,000

Other than the payment of reasonable per diem allowances as discussed above, there are no standard arrangements pursuant to which directors of the Company are compensated, or are to be compensated, directly or indirectly, for any services provided as a director.

Disclosure and Transparency

Name	Security	Direct Shareholdings			
		Balance as of December 31, 2021	Acquired	Disposed	Balance as of December 31, 2022
Board of Directors					
Ricardo Nicanor N. Jacinto	Common	64,583	-	-	64,583
Aylene Y. Sytengco	Common	13,947,271	65,000	-	14,012,271
Necisto Y. Sytengco, II	Common	16,807,678	1,247,000	-	18,054,678
Gerry D. Tan	Common	32,291	-	-	32,291
Esmeraldo A. Tepage	Common	183,016	-	-	183,016
Lali Y. Sytengco	Common	4,541,273	-	-	4,541,273
Geocel D. Olanday	Common	1,000	-	-	1,000
Roberto F. Anonas, Jr.	Common	1,241	-	-	1,241
Helen T. De Guzman	Common	1,000	-	-	1,000
Officers					
Christine P. Base	Common	-	-	-	-
Jose Fidel R. Acuña	Common	-	-	-	-
Sabrina Adamelle Poon-Sytengco	Common	-	-	-	-
Aileen Lou G. Codamon	Common	-	-	-	-
Emerson P. Paulino	Common	-	-	-	-
Jose Ma. Jason J. Francisco	Common	-	-	-	-

Shareholdings as of December 31, 2022



2022 Board and Committee Attendance

2022 BOARD OF DIRECTORS			
Composition	Name	No. of Meetings Held During the Year	No. of Meetings Attended
Chairman	Ricardo Nicanor N. Jacinto	9	9
Vice Chairperson	Aylene Y. Sytengco	9	9
Vice Chairman	Necisto Y. Sytengco, II	9	9
Executive Director	Gerry D. Tan	9	9
Executive Director	Esmeraldo A. Tepace	9	9
Executive Director	Lali Y. Sytengco	9	9
Independent Director	Helen T. De Guzman	9	9
Independent Director	Roberto F. Anonas, Jr.	9	8
Independent Director	Geocel D. Olanday	9	9

2022 EXECUTIVE COMMITTEE			
Composition	Name	No. of Meetings Held During the Year	No. of Meetings Attended
Chairman	Gerry D. Tan	9	9
Member	Esmeraldo A. Tepace	9	9
Member	Aylene Y. Sytengco	9	9
Member	Necisto Y. Sytengco II	9	9
Member	Lali Y. Sytengco	9	9

2022 FINANCE AND INVESTMENT COMMITTEE			
Composition	Name	No. of Meetings Held During the Year	No. of Meetings Attended
Chairman (ED)	Aylene Y. Sytengco	2	2
Member (ED)	Necisto Y. Sytengco, II	2	2
Member (ED)	Gerry D. Tan	2	2
Member (ID)	Roberto F. Anonas, Jr.	2	2
Member (ID)	Geocel D. Olanday	2	2

2022 AUDIT AND RISK OVERSIGHT COMMITTEE			
Composition	Name	No. of Meetings Held During the Year ¹	No. of Meetings Attended ¹
Chairman (ID)	Helen T. De Guzman	5	5
Member (ID)	Roberto F. Anonas, Jr.	5	3
Member (ID)	Geocel D. Olanday	5	5
Member (NED)	Ricardo Nicanor N. Jacinto*	2	2
Member (ED)	Aylene Y. Sytengco*	2	2

¹One (1) Executive Session by Independent Directors and Non-Executive Director held during the year.

2022 RELATED PARTY TRANSACTIONS COMMITTEE			
Composition	Name	No. of Meetings Held During the Year ¹	No. of Meetings Attended ¹
Chairman (ID)	Roberto F. Anonas, Jr. **	2	2
Member (ID)	Helen T. De Guzman	2	2
Member (ID)	Geocel D. Olanday	2	2

2022 CORPORATE GOVERNANCE & ETHICS COMMITTEE			
Composition	Name	No. of Meetings Held During the Year	No. of Meetings Attended
Chairman (ID)	Geocel D. Olanday **	3	3
Member (ID)	Roberto F. Anonas, Jr.	3	3
Member (ID)	Helen T. De Guzman	3	3
Member (ED)	Necisto Y. Sytengco II	3	3
Member (ED)	Lali Y. Sytengco *	1	1
Member (ED)	Esmeraldo A. Tepace **	2	2

2022 NOMINATION AND REMUNERATION COMMITTEE			
Composition	Name	No. of Meetings Held During the Year	No. of Meetings Attended
Chairman (NED)	Ricardo Nicanor N. Jacinto	3	3
Member (ED)	Necisto Y. Sytengco, II	3	3
Member (ED)	Aylene Y. Sytengco	3	3
Member (ID)	Geocel D. Olanday	3	3

* From January 1, 2022 to June 22, 2022 only

** From June 22, 2022 to December 31, 2022 only

Corporate Social Responsibility



The Sytengco Foundation, Inc. and SBS Group value the opportunity to facilitate assistance to communities surrounding its operation centers. The Company has been committed to making a significant impact in the areas of education, health, and wellness since the 1980s.

The Company has partnered with several institutions in providing medical assistance to our indigent countrymen with

serious diseases. SBS had previously donated Intermediate Pediatric Intensive Care Unit (PICU); a 7-bed unit with two isolation rooms and is fully equipped to provide optimal medical and nursing services to critically ill patients. The Company also extended generous assistance to those in public service. Among the beneficiaries in 2022 were ILC Pink Hearts Foundation, Barangay Bungad, Santo Cristo Parish, and Salesian Society of St. John Bosco-Technical-Vocational Education and Training (TVET).

In line with Blood Donors Month in the country every July, the Company joined the altruistic cause of blood donation and acknowledged the blood donors for their noble act of saving lives through their gift of blood.

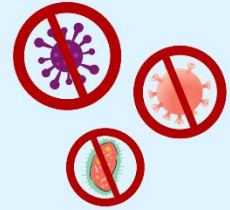
In addition, a 2,500-gallon water capacity fire truck, managed and maintained by Kabalikat Fire Volunteer group, was made readily available by the Company to aid the local Fire Department.



SBS Philippines Corporation is one of the sponsors during the 2022 Chemistry Week, organized by the Integrated Chemists of the Philippines (ICP). The event aims to inspire new Chemists and Chemical Technicians in their careers. The company also supports the ICP in promoting ethical standards and complying with the Chemistry Profession Act of the Philippines.

ZYCROBIAL-50

THE LONG LASTING DISINFECTANT



Give yourself and your loved ones
**EXTRA PROTECTION AGAINST
VIRUSES OR BACTERIA**
that can cause serious illnesses.



SCAN TO LEARN MORE

A retentive disinfectant that works on all surfaces.

It provides 24/7 protection for 90 days.

Easy to dilute and apply and is an Odorless Solution.

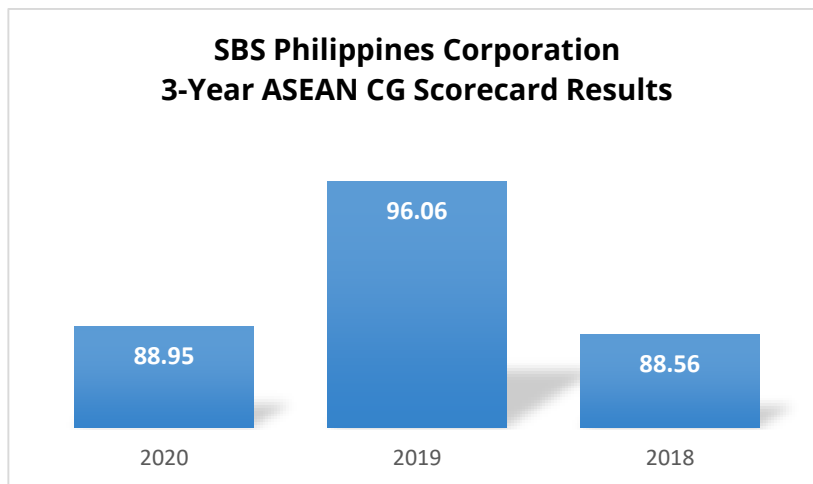
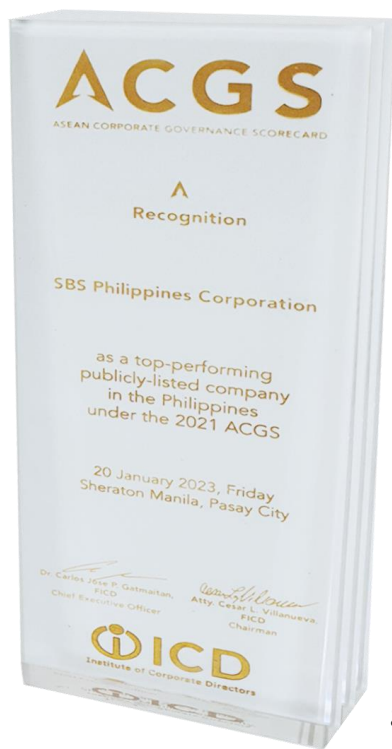


SCAN TO LEARN MORE

Cold Bond

COLD JOINT ADHESIVES
FOR OLD & NEW CONSTRUCTION JOINTS

Awards and Recognition



SBS Philippines Corporation received a one-arrow recognition at the ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow Awards, which acknowledges the outstanding performance of publicly-listed firms in the Philippines regarding corporate governance.

The Institute of Corporate Directors (ICD) assesses a company's performance in areas such as facilitating shareholder rights and equitable treatment, how it interacts with its various stakeholders, ensuring transparency and accountability through timely disclosure of material information, and how the board strategically guides the company, monitors management, and ensures the board's responsibility to the company and the shareholders.



Organizational Chart



SBS PHILIPPINES

CORPORATION

Your Strategic Chemical Supply Partner



SBS
in action

Corporate Directory

BOARD OF DIRECTORS

Ricardo Nicanor N. Jacinto

Chairman

Aylene Y. Sytengco

Vice Chairperson

Necisto Y. Sytengco, II

Vice Chairman

Gerry D. Tan

Executive Director

Esmeraldo A. Tepace

Executive Director

Lali Y. Sytengco

Executive Director

Helen T. De Guzman

Independent Director

Roberto F. Anonas, Jr.

Independent Director

Geocel D. Olanday

Lead Independent Director

EXECUTIVE COMMITTEE

Chairman

Gerry D. Tan

Members

Esmeraldo A. Tepace

Aylene Y. Sytengco

Necisto Y. Sytengco, II

Lali Y. Sytengco

AUDIT AND RISK OVERSIGHT COMMITTEE

Chairman

Helen T. De Guzman

Members

Roberto F. Anonas, Jr.

Geocel D. Olanday

RELATED PARTY TRANSACTIONS COMMITTEE

Chairman

Roberto F. Anonas, Jr.

Members

Helen T. De Guzman

Geocel D. Olanday

CORPORATE GOVERNANCE & ETHICS COMMITTEE

Chairman

Geocel D. Olanday

Members

Roberto F. Anonas, Jr.

Helen T. De Guzman

Necisto Y. Sytengco, II

Esmeraldo A. Tepace

NOMINATION and REMUNERATION COMMITTEE

Chairman

Ricardo Nicanor N. Jacinto

Members

Necisto Y. Sytengco, II

Aylene Y. Sytengco

Geocel D. Olanday

FINANCE AND INVESTMENT COMMITTEE

Chairman

Aylene Y. Sytengco

Members

Necisto Y. Sytengco, II

Gerry D. Tan

Roberto F. Anonas, Jr.

Geocel D. Olanday

EXECUTIVE OFFICERS

Gerry D. Tan

President & Chief Executive Officer

Esmeraldo A. Tepace

Executive Vice President & Chief

Operating Officer

Aylene Y. Sytengco

Chief Financial Officer and

Treasurer

Necisto Y. Sytengco, II

Senior Vice President for Marketing

Operations & Assistant Treasurer

Lali Y. Sytengco

Vice President for Supply Chain

Christine P. Base

Corporate Secretary

Sabrina Poon- Sytengco

Investor Relations Officer

Jose Fidel R. Acuña

Compliance Officer &

Chief Information Officer

Aileen Lou G. Codamon

AVP Controller

Emerson P. Paulino

Chief Risk Officer and

Chief Audit Executive

Jose Ma. Jason J. Francisco

Data Protection Officer

STOCK TRANSFER AGENT BDO Unibank, Inc.- Trust & Investments Group

15/F BDO Corp. Center,

South Tower 7899

Makati Avenue,

Makati City 0726

INDEPENDENT AUDITORS PUNONGBAYAN & ARAULLO

19th and 20th Floor, Tower 1,

The Enterprise Center,

Ayala Avenue, Makati City

Partner in Charge:

Ms. Mary Grace A. Punay

PRINCIPAL BANKERS

BDO Unibank, Inc

China Banking Corporation

Metropolitan Bank and Trust Co.

Security Bank Corporation

LISTING and TRADING SYMBOL

Listed on the Main Board of the

Philippine Stock Exchange under the

stock trading symbol "SBS"

INVESTOR RELATIONS AND MAILING ADDRESS

Investor Relations Office

SBS Philippines Corporation

10 Resthaven Street, San Francisco

Del Monte, Quezon City

T (632) 8371-1111

F (632) 8371-1288

E ir@sbsph.com

Website: <http://www.sbsph.com>



SBS PHILIPPINES
CORPORATION

SBS PHILIPPINES CORPORATION
10 Rest Haven St., SFDM, Quezon City,
Metro Manila, Philippines, 1105
+63 2 8371-1111 / www.sbsp.com