



ALLIANCE SELECT FOODS
INTERNATIONAL, INC.

SUSTAINABILITY *REPORT* 2021



<http://corporate.allianceselectfoods.com>

Message to our Stakeholders



Dear Stakeholders,

It is with great honor that I present to you the Company's efforts on sustainability for the year 2021.

The Company's main theme for the year is "***Ako Mismo!***". This is to encourage our people within the Company as well as our stakeholders to launch initiatives and exert efforts, big or small, that would benefit the Company and themselves. This theme is in line with the Company's value of Concern which we define as "*malasakit sa trabaho, na nag-uugat sa malasakit sa sarili at kapwa.*"

With "***Ako Mismo!***" as our main thrust, our people are empowered and not deterred by the financial difficulties encountered by the Company in the year 2021. Our people are even more determined to soar higher and overcome these bumps. Endeavors to improve production efficiency and recovery rates, as well as lower maintenance costs and utility consumption are implemented and experienced organization wide. With these combined efforts and with the world slowly going back to normal, we are positive that we will realize prosperous years ahead.

I am also happy to update that our manufacturing plant in General Santos City is now using solar power. The Company signed a long-term agreement with a provider of a rooftop solar PV (photovoltaic) installation to power the needs of our manufacturing plant with renewable energy. The plant is now covered with a 600 kWp solar power system that generates 800 MWh of electricity each year, which in turn reduces carbon emissions by over 4,100 tons annually, equivalent to taking more than 800 cars off the road. This is a milestone that the Company is very proud of!

Year by year, we are inspired to continue to find ways to stay true to our sustainability goals of operating mindfully and being socially accountable. With your continuous support, we have no doubt that these goals are within our reach.

Thank you for your always steadfast support in our journey.

Sincerely Yours,



RAYMOND K.H. SEE
President and CEO

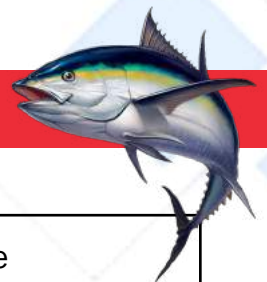
Materiality Process



Alliance Select Foods International, Inc. and its subsidiaries are dedicated with focus on execution to advance our sustainability policies and practices. As we invoke our advocacy for responsible stewardship of our oceans and marine life (environment), we highlight as well the importance of economic and social sustainability.

This Report will articulate the challenges, efforts and opportunities that the Company faces in relation to sustainability and its operations. It will show how the Company balances its resources in order to arrive at a synergized environment with sustainability in its pinnacle.

Materiality Matrix for Sustainability Issues



Influence to Stakeholders' Assessment and Decision Making	High	<ul style="list-style-type: none"> - Operations and Resources Efficiency - Supply Chain Management - Customer Service and Management 	<ul style="list-style-type: none"> - Corporate Governance - Economic Contribution (direct or indirect) - Tuna Procurement Practices - Product Quality - Employee Training and Development - Business Continuity
	Medium	<ul style="list-style-type: none"> - Employee Benefits - Relationship with Community - Data Privacy - Water, Energy Resource and Waste Management - Climate Change - Crisis Management 	<ul style="list-style-type: none"> - Occupational Health and Safety - Employee Welfare (especially during the pandemic)
		Medium	High
Significance of economic, environmental and social impacts			



Name of the Organization:

Alliance Select Foods International, Inc.

Location of Headquarters:

**Suite 3104 A West Tower PSEC Exchange Rd., Ortigas
Business District, Pasig City, 1605**

Alliance Select Foods International, Inc. (ASFII or the “Parent Company”), a public corporation under Section 17.2 of the Securities Regulation Code (SRC), was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on September 1, 2003.

The Parent Company is primarily engaged in the business of manufacturing, canning, importing and exporting of food products such as marine, aquaculture and other processed seafoods. Its shares are listed in the Philippine Stock Exchange (PSE) since November 8, 2006.



Our Subsidiaries

Name of Subsidiary	% of Ownership	Nature of Business	Principal Place of Business
Big Glory Bay Salmon and Seafood Company, Inc. (BGB)	100	Salmon and other seafoods processing	Philippines
PT International Alliance Food Indonesia (PTIAFI)	99.98	Export Trading	Indonesia
Alliance MHI Properties, Inc. (AMHI)	98.89	Leasing	Philippines
Akaroa Salmon (NZ) Ltd. (Akaroa)*	80	Salmon farming and processing	New Zealand
PT Van De Zee (PT VDZ)	49	Fishing	Indonesia

BGB

BGB has plant facilities that are located in Barangay Tambler, General Santos City. BGB imports salmon from New Zealand, Chile and Norway, among others. The smoked salmon products from BGB are sold locally and abroad.

PTIAFI and PTVDZ

PTIAFI was established under the Indonesian Foreign Capital Investment Law and is primarily engaged in canned fish processing exclusively for international market.

On October 18, 2019, PT AIFI changed its core business operations to export trading, and sold its fixed assets in North Sulawesi, Bitung, Indonesia. PTIAFI is currently not in operation.

PTIAFI owns 49% of PT VDZ, a fishing company. Due to subsequent changes in Indonesian fishing regulations restricting foreign commercial fishing, PT VDZ is currently not in operation.

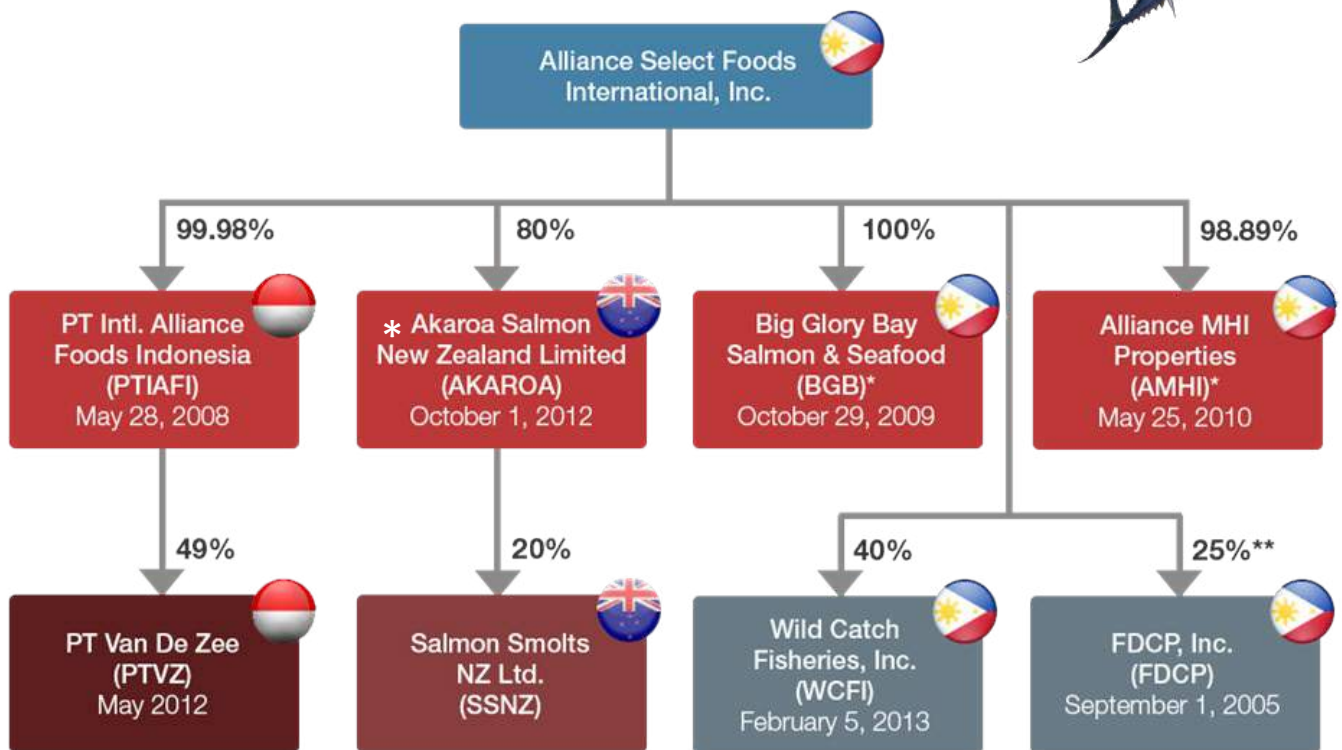
AMHI

AMHI is a property holding company registered at Purok Saydala, Brgy. Tambler, General Santos City.

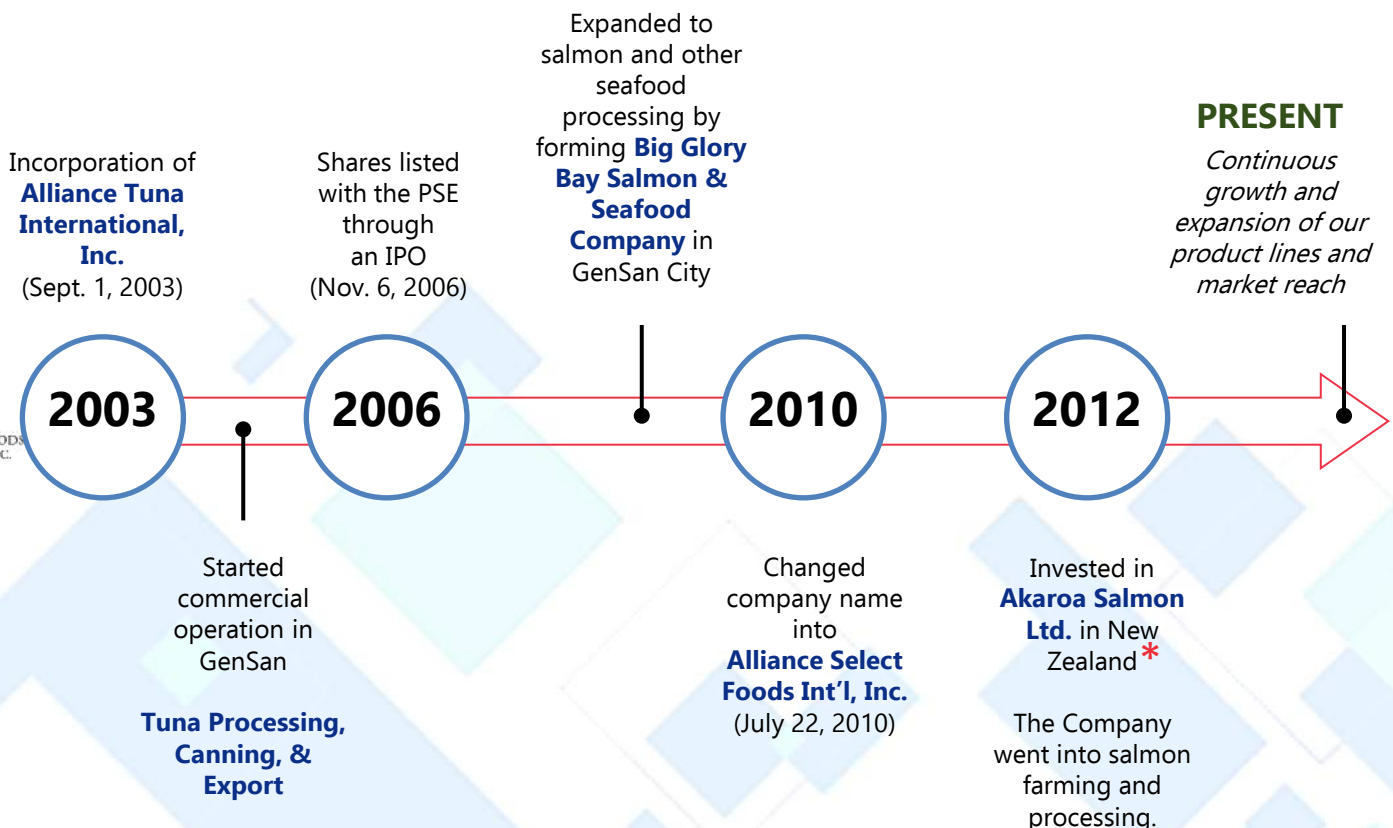
Akaroa*

The Company acquired an 80% stake in Akaroa in October 2012. With its principal office in 89 Treffers Road, Wigram, Christchurch, New Zealand, Akaroa is engaged in the business of sea cage salmon farming and is among the pioneers of farmed salmon industry in New Zealand. Akaroa smokes and processes fresh salmon, and has established itself as the premium quality brand in the country over the years. Akaroa has been the recipient of various awards and accolades from New Zealand's food industry. It operates two marine farms in the pristine cold waters of Akaroa Harbor in the country's South Island to rear the King salmon or Chinook salmon. In November 2021, the Company sold its shares in Akaroa.

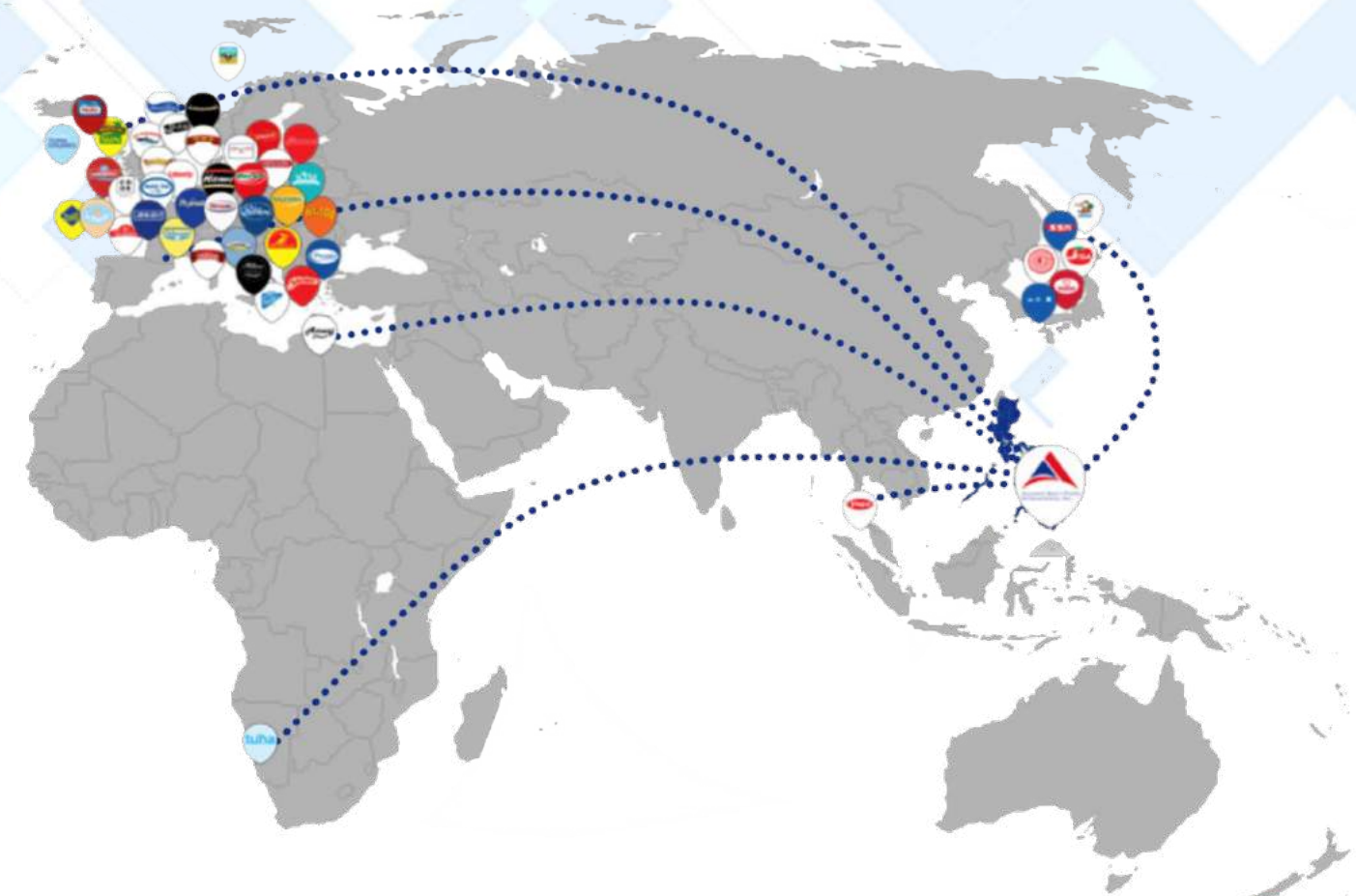
Group Corporate Structure



Our History



*ASFI divested its shares in Akaroa in November 2021



The Parent Company's key business activity is the processing, canning, and export of tuna. It exports its products to Europe, America, Asia, Africa, and the Middle East.

THE BRANDS WE PRODUCE



Our Location



Head Office

Suite 3104-A, West Tower, PSEC
Exchange Rd., Ortigas Business
District, Pasig City, PH (1605)
Telephone: +632 8637 8800

GenSan Plant

Purok Saydala, Brgy. Tambler, General
Santos City, PH (9500)
Telephone: +6383 552 3047



Certifications





Our Mission



PEOPLE

We develop and train our people to help them have a **better life** as we grow.



PERFORMANCE

We aim to deliver strong **profits** across all our businesses through **quality** products and services.



PLANET

We give back to the community through **sustainable** development projects and **responsible** operating practices.

Our Vision

We aim to be the trusted partner for world-class seafood products providing maximum value for our people, customers, and shareholders.



The Company's Core Values are Integrity, Accountability, Concern, and Teamwork.

Our Policies are aligned with these values and help everyone to comply with all relevant laws and regulations.

ASFII Core Values

Integrity: *pagiging tapat sa ating katungkulan -- sa trabaho, sa bahay, o sa buhay man*

Accountability: *handang pangatawanan at panagutan ang ating mga gawain*

Concern: *malasakit sa trabaho, na nag-uugat sa malasakit sa sarili at sa kapwa*

Teamwork: *pagtutulungan tungo sa iisang layunin para sa kapakinabangan ng lahat*

Our Products



Tuna

The Group's Tuna Division is mainly from ASFII which sells processed tuna including pouched tuna products, frozen loins and a premium tuna line under the "Bay of Gold" brand. The market for tuna is comprised of the institutional and retail markets. The end users of the institutional cans include restaurants, hotels, and commissaries. The retail pack is sold to wholesalers, distributors, and food companies that have their own brands. Consumers normally purchase the retail can in supermarkets and grocery stores.

Salmon

BGB processes various salmon species and manufactures them into smoked and raw products for retail and institutional consumers. These are frozen and vacuum packed, and sold in different forms and cuts. Products are sold in retail stores under Prime New Zealand, Gold Standard, and Superfish. In 2021, BGB focused in distributing imported salmon products from Akaroa.

Akaroa serves king salmon both for its domestic and international clients. For international markets, Akaroa's products are air-flown and delivered to retailers, distributors or direct customers in Singapore, Japan, USA, Philippines and Hong Kong, among others.

Fishmeal

Fishmeal is the by-product of tuna and salmon processing operations. Fishmeal is sold as additives or primary ingredients for animal feeds.

Fishoil

ASFII extracts crude fish oil from raw tuna heads, one of the best sources of high-quality fish oil, at the processing plant in General Santos City. This unrefined oil is primarily intended for animal feed, but can also be refined for human consumption. ASFII currently produces around 20,000 kg of crude fish oil per month, which is sold in the local market to agricultural businesses or food processors.





Distribution Methods, Sales and Marketing

Tuna

The Tuna Division of ASFII has positioned itself as a supplier of canned tuna to a wide range of buyers and agents. Most of the products are finished and labeled, and are ready for shipment to their respective end-destinations. ASFII diversified its product line. Pouched tuna options and frozen tuna loins were added to its product line for the export market while premium canned tuna and salmon lines consisting of seven variants under the Bay of Gold brand were added for the local market. Bay of Gold is present in select supermarkets in the Philippines. They are also now available on Lazada and Shopee.

At present, canned tuna is sold in both domestic and export markets while frozen tuna loins and pouched tuna products are sold in the export market. Fishmeal, meanwhile, is sold mainly to the domestic market.



Salmon

BGB's products are sold in major supermarkets in the Philippines. The Company is also expanding its market reach in retail through food service clients.

Akaroa products are sold mostly to institutional clients and high-end distributors in New Zealand and the Asia Pacific region. Akaroa also has an online and supermarket presence in New Zealand. ASFII divested its shares in Akaroa in November 2021.



Fish Sourcing



Tuna and Salmon

ASFII purchases its tuna from fish suppliers and large traders. Skipjack and Yellowfin tuna are the main raw fish inputs for processed tuna products.

BGB sources its salmon primarily from New Zealand, Chile and Norway. This is then processed into hot or cold smoked salmon. Meanwhile, Akaroa's fresh chilled salmon and smoked products are sourced from its own farms.

Key Fishing Areas – Tuna

A key resource or catching area for tuna is the Pacific Ocean. According to the Western and Central Pacific Fisheries Commission's (WCPFC) Tuna Fisheries Yearbook 2018, world tuna catch in 2018 from this fishing area accounted for almost 67% of global tuna catch. The Western Pacific Ocean accounted for 54% of the total, while the Eastern Pacific Ocean accounted for another 13% of the global tuna catch. The Pacific Ocean is followed by the Indian Ocean and accounts for 23% of the catch with the Atlantic Pacific accounting for the balance of 11%.

Key Sourcing Area – Salmon

Almost all of the salmon processed by BGB and Akaroa are sourced from fish farms in New Zealand, Chile and Norway. This ensures a consistent supply of raw materials for the Company's salmon subsidiaries.



Reporting Period: **2021**

Highest Ranking Person responsible for this report:
Lisa Y. Dejadina – Senior Vice President, Operations



ECONOMIC PERFORMANCE



**SUSTAINABILITY
REPORT
2021**



Operating Performance

The Group's consolidated revenues of \$40.8 million in 2021 were 35% lower than the revenues of \$62.7 million in 2020. During the year, tuna-related products contributed about 79% of total revenues, while the remaining 21% were contributed by salmon-related products. Compared to 2020, the significant decrease in sales volume was due to continued spike in freight rates, which is six times (6x) higher than pre-pandemic rates, resulting to deferral of shipments. Losses to competition in European Union (EU) market because of higher freight rates compared to that of Ecuador, and the deconsolidation of Akaroa in November also contributed to the decline in sales.

The Group's gross profit increased to 12% in 2021 from 5% in 2020. This is mainly due to the improvement of production efficiency: a) reduced headcount, lower maintenance costs and utility consumption from the installation of cost reducing machineries and equipment; and b) better recovery rates.

The Group has successfully implemented measures to reduce selling and administrative expenses and has consistently managed costs to partially cushion the impact of low gross profit.

The Group incurred net loss of \$1.1 million in 2021, 89% lower than the net loss of \$10.1 million in 2020. This is driven by:

- Lower sizeable one-offs;
- Lower selling and administrative expenses resulting from cost containment;
- 33% savings on interest expense from repayment of loans; and
- Net gain on the divestment of Akaroa

Disclosure



KEY PERFORMANCE INDICATORS

The Group uses the following key performance indicators to assess the Group's financial performance from period to period.

Years ended December 31		
Key Performance Indicator	2021	2020
Revenue growth rate	-35%	-26%
Net profit margin	-3%	-16%
Current ratio	1.02	0.99
Debt to equity ratio	0.92	1.3
Return on average stockholders' equity	-6%	-39%

DIRECT ECONOMIC VALUE GENERATED & DISTRIBUTED

Disclosure	In US\$ '000
Direct economic value generated (revenue)	40,778
Direct economic value distributed:	
Normalized operating costs	5,087
Employee wages and benefits	1,612
Interest payments to loan provider	570
Investments to community (e.g. donations, CSR)	13



ALLIANCE SELECT FOODS
INTERNATIONAL INC.



PERFORMANCE

Year on year, the management of ASFII launches themes that motivate employees to support and align their individual and department goals with the Company's bottom line targets.

In 2021, the mantra was **"AKO, MISMO!"** – a reminder to everyone to have initiative in everything that they do for the Company and for themselves.

This is also in line with the Company's value of **Concern** which is **"malasakit sa trabaho, na nag-uugat sa malasakit sa sarili at sa kapwa."**



ANTI-CORRUPTION

It is our mandate to never seek, accept or give bribes, facilitate payments, kickbacks or other improper payment. We also ensure that we operate with appropriate transparency in all our business dealings.

We take appropriate steps and adopt appropriate transparency in our approach to ensure that our directors and employees do not, directly or indirectly, offer, promise, give, accept or demand a bribe or other undue advantage to obtain business gain or any other improper advantage. We do not offer, nor give in to demands, to make illicit or illegal payments to agents, public officials or employees of business partners or anybody else that we do business with. We engage and remunerate agents and other third parties only for their legitimate services.

We expect our employees to demonstrate honesty, integrity and fairness in all aspects of business dealings and exercise appropriate standards of professionalism and ethical conduct in all activities. Likewise, we expect the same approach from our business partners and suppliers.

Hospitality and Gifts

All directors, officers and employees, who receive hospitality and gifts, are required to disclose it to the Company. Management or the Board approves hospitality and gift proposals only if they demonstrate a clear business objective and are appropriate for the nature of the business relationship. All gifts or hospitality with value of P2,001 and above are not allowed.

Before accepting or giving a gift or hospitality, our employees are enjoined to consider:

Purpose - Will this compromise myself or the Company?

Appropriateness - Is this against our Company policies?

Conflict of interest - Is it attached to any formative contracts or renewals?

Risks - Will there be ill consequences on the Company if I accept?

If the answer to any of the questions above is YES, the employee must not accept the gift/hospitality.

Reporting Suspected Bribery

The Company has a Whistleblowing Policy which is in line with the Company's commitment to uphold the highest ethical standards among its directors, officers, and employees. This Policy aims to encourage every employee as well as its suppliers, business partners, contractors and sub-contractors, who have credible information, to report to the Company any suspected bribery without fear of reprisal, harassment, victimization, or misuse of disciplinary proceedings.

ANTI-CORRUPTION

Action by the Company

We promote employee awareness of, and compliance with, Company policies against bribery and corruption through proper dissemination of policies and procedures to both newly inducted and tenured employees.

We also adopt a management control system that discourages bribery and corruption; as well as financial and tax accounting and auditing practices that prevent the establishment of “*off the books*” secret accounts, or creation of documents that do not properly and fairly record correct transactions.

We take any allegation of corruption or bribery seriously. Any credible information that relates to bribery or corruption will be investigated. An employee who may be involved may be suspended from his/her/their duties while the investigation is being carried out. When proven guilty, the employee may be terminated from employment.

The Company is likewise ready to terminate any contract with any person, including consultants or contractors, who are found to have committed an act of bribery or corruption, in relation to their business with the Company.

Training on Anti-Corruption Policies and Procedures



Disclosure	Quantity
Percentage of employees to whom the organization's anti- corruption policies and procedures have been communicated to	100%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100%
Percentage of directors and management that have received anti-corruption training	100%
Percentage of employees that have received anti-corruption training	100

Incidents of Corruption

The Company has zero incidents of corruption (which resulted to removal, dismissal, disciplinary action, and/or termination) involving directors, employees, or business partners.

SUSTAINABILITY REPORT 2021



ENVIRONMENTAL PERFORMANCE





PLANET

Alliance Select Foods International, Inc. and its subsidiaries advocate green productivity and sustainability in its operations. This is evident in the Company's thrust and active effort to reduce its carbon footprint and improve its resources management across its supply chain.

Agencies such as GreenPeace Southeast Asia and DENR have recognized ASFII for its green initiatives.





Alliance Select Foods International, Inc. has a valid Environmental Compliance Certificate (ECC), Waste Water Discharge Permit, as well as Permit to Operate (Boiler), and is fully compliant with all environment and safety regulations.

ASFI's manufacturing plant is located in Barangay Tambler, General Santos City. Its processing and production operations are classified as environmentally critical project under The Philippine Environmental Impact Statement System (Presidential Decree No. 1586, as amended). Section 4 of this P.D. 1586 states that **"No person, partnership, or corporation shall undertake or operate any such declared environmentally critical project or area without first securing an ECC"**. An ECC is a decision document issued by the Department of Natural Resources (DENR) – Environmental Management Bureau (EMB) Division after its positive review of the Company's processes in relation to the environment. It certifies that the proponent has complied with requirements of the Environmental Impact System and is committed to implement its Environmental Management Plan.

GREENPEACE RANKING

ASFII is the only Greenpeace-green-rated cannery in the Philippines.

Every two (2) years, Greenpeace Southeast Asia ranks the tuna canneries in the Asian region. In 2018, Greenpeace Southeast Asia's Tuna Cannery Report ranked both the Group's Philippine and Indonesian tuna facilities as No. 1 in their respective localities, following Sustainability, Sourcing, Traceability, Legality, Driving Change, Equity, and Transparency criteria.

In 2020, ASFII's tuna facility in General Santos City ranked No. 1 again in the Cannery Ranking in the Philippines. ASFII leads among the six (6) canneries located in General Santos City, Philippines, and is ranked No. 3 in the Southeast Asian region. ASFII also held its status as the sole cannery in the Philippines who received a Green Rating from the Greenpeace.

ASFII is again aiming to get another high ranking in the Greenpeace Southeast Asia rankings in 2022.

In 2020, ASFII's tuna facility in General Santos City ranked No. 1 again in the Cannery Ranking in the Philippines and No. 3 in Southeast Asia. ASFII also held its status as the sole cannery in the Philippines who received a Green Rating.

RANKING BY FISHING GEAR AND SPECIES USED

NO	COUNTRY	NAME OF CANNERY	2020 SCORING	POLE & LINE	HANDLINE	FAO FREE PURSE SEINE	PURSE SEINE	LONGLINE	SHOOTING	YELLOWFIN	BIGEYE	BONITO	TOMCOOL	KANAKAMA	ALBACORE
01	PT, Citra Raja Ampat Canning		73.40												
02	Super C Chef brand of Sea Value PLC		72.48												
03	Alliance Select Foods International		71.57												
04	PT, Samudra Mandiri Sentosa		70.56												
05	Aro of Slam Makro manufactured by Pataya		66.12												
06	PT, Sinar Pure Foods International		63.83												
07	Nautikus brand of Pataya Foods		60.84												
08	General Tuna Corporation		59.27												
09	PT, Deho Canning Company		59.16												
10	Tops by Thai Union for Central Food Retail, Co.		58.72												
11	Seatrade Canning Corporation		58.45												
12	PT, Aneka Tuna Indonesia		57.61												
13	RD Manufacturing Group		54.89												
14	Ocean Canning Corporation		54.50												
15	Sealect brand of Thai Union		54.27												
16	Ayam produced by Thai Union		52.10												
17	Tesco produced for Tesco Lotus by Unilever, Sao Value PLC.		51.21												
18	Celebes Canning Corporation		50.84												
19	TICI brand of Tropical Canning		45.06												
20	Rosa brand of H-I-Q Food Products		37.72												

CANNERIES & BRANDS WERE RANKED ON A SCALE OF 1-100

ALLIANCE SELECT FOODS INTERNATIONAL

71.57

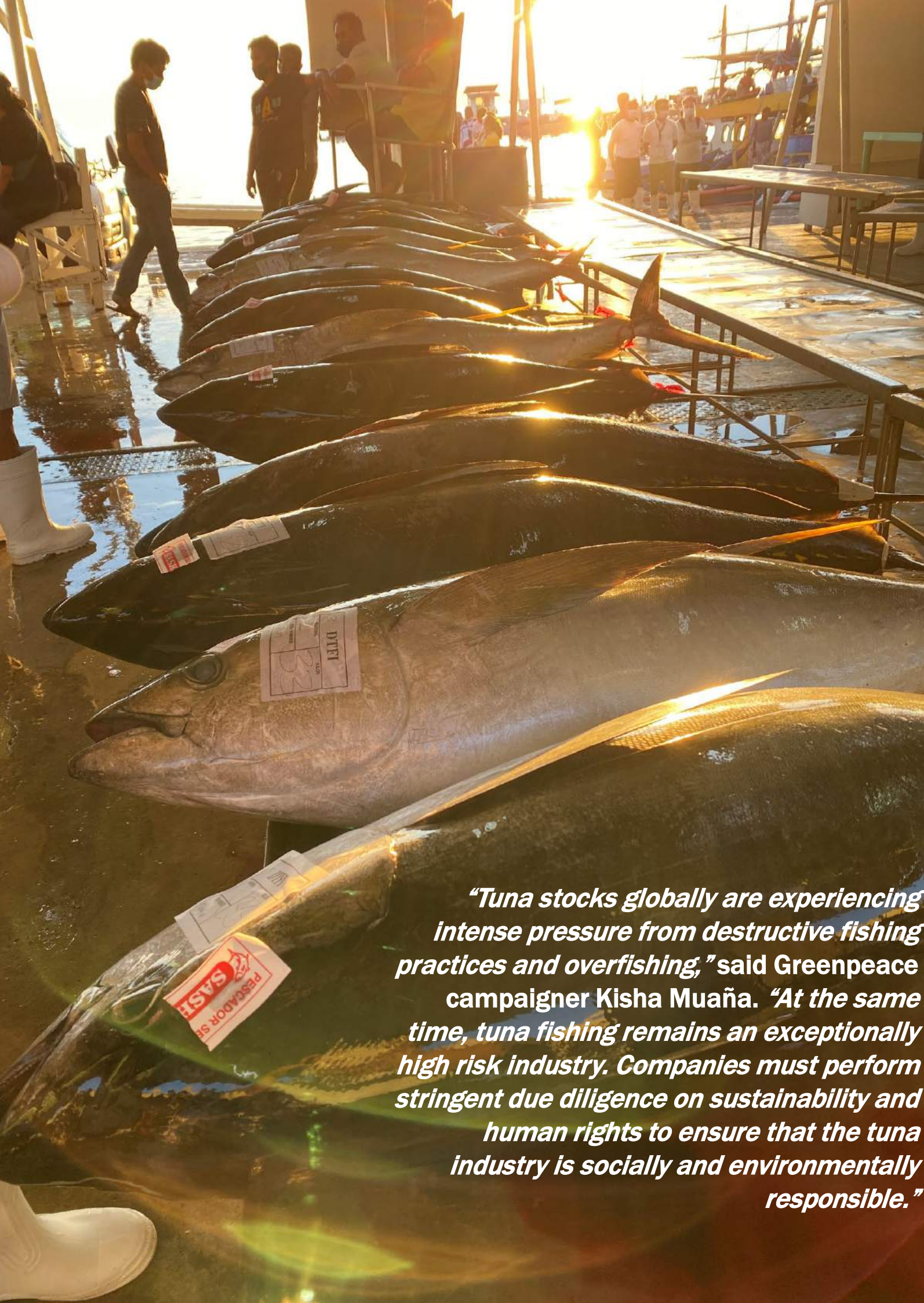
PHILIPPINES

Alliance Select, makers of the Bay of Gold brand, has a strong traceability system in place that is reviewed by a third party auditor. The company is sourcing skipjack (82%), yellowfin (16.9%), bigeye (1%) and bonito (0.19%). Around 85% are caught using the more sustainable FAO-free fishing method, and the remaining 15% are caught by purse seine vessels.

In addition to species and fishing gears used, the company's tuna procurement policy also contains a provision against IUU fishing and transshipment at sea, and provisions which provide for "safe and fair working conditions," "equitable" fishing agreements, ethical fishing methods, and strict human rights standards.

Greenpeace Southeast Asia urges Alliance Select to advocate publicly for the ratification of the Work in Fishing Convention, not only in the Philippines but in the supplying countries as well.

The company needs more work in the Driving Change criteria. We strongly recommend proactive involvement in comprehensive Fisheries Improvement Projects in the Philippines. It should bolster its due diligence on labor by establishing an effective, anonymous grievance mechanism accessible by fishers from its direct supplier vessels, and by engaging with trade unions or representative workers organizations in the sector. D.O. 158-16, passed in 2016, is a national law governing Rules and Regulations governing the working and living conditions of fishers on board fishing vessels engaged in commercial fishing operation. As it has yet to be fully implemented across the country, we recommend that Alliance Select ensure that Philippine suppliers conform with D.O. 158-16.



“Tuna stocks globally are experiencing intense pressure from destructive fishing practices and overfishing,” said Greenpeace campaigner Kisha Muaña. “At the same time, tuna fishing remains an exceptionally high risk industry. Companies must perform stringent due diligence on sustainability and human rights to ensure that the tuna industry is socially and environmentally responsible.”



COASTAL CLEAN-UP PROGRAM

Sarangani Bay was declared a protected seascape on March 5, 1996 by virtue of Presidential Proclamation No. 756.

ASFIL joined the Department of Environmental and Natural Resources (DENR) in celebrating the seascape's 25th Founding Anniversary on March 5, 2021. With the theme "***Protected by the People, For the People***", ASFIL together with its subsidiary, Alliance MHI Properties, Inc., led DENR's activity of Baywide Coastal Cleanup at ASFIL's Foreshore leased area.

In September 18, 2021, ASFIL yet again joined the International Coastal Cleanup. With a theme of "***Understand and Beat Marine Pollution***", ASFIL employees participated in the world's largest volunteer effort to take good care of the ocean's health. They join thousands of individuals around the globe to better understand and beat marine pollution.

ASFII also supports The Ocean Conservancy ("TOC"), formerly known as the Center for Marine Conservation. The TOC is a non-profit environmental advocacy group based in Washington D.C., USA that aims to protect the ocean's wildlife.

The International Coastal Clean-up, one of its global initiatives since 1986, is supported by the Philippine Government through Presidential Proclamation No. 470. This PD declares every third Saturday of the month of September as the International Coastal Clean-up Day.

ASFII regularly participates in the International Coastal Clean-up Day. In 2017, ASFII joined the "*Sama-sama para sa Malinis na Karagatan*", and in 2019, the "*Bayan ko, Linis ko*", to clean its coastal lines covering a total of 3,949 sq. meters of foreshore.

OTHER PROGRAMS



Reduction of Paper Use

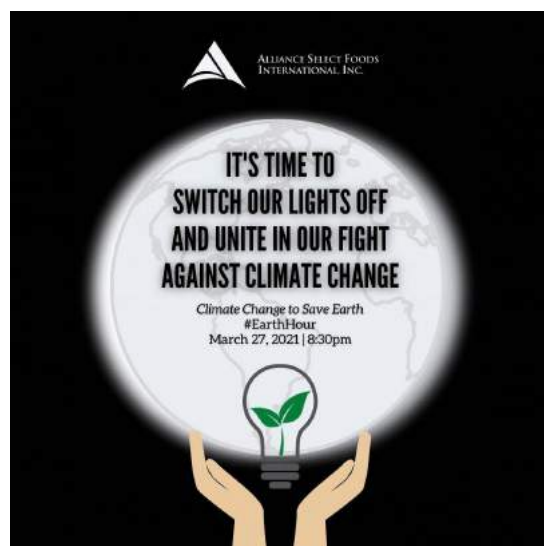
ASFII is actively and continuously in search for opportunities to reduce its paper consumption. In 2020, the Company migrated most of its printed forms to online format. Additionally, to combat the spread of COVID-19 within the plant premises, ASFII makes use of Online Health Declaration Form and a QR code system for its contact tracing.

Ban on Water Bottles

The Company also forbids the use of disposable water bottles at its cafeteria. Employees and workers of ASFII's service providers are encouraged to bring reusable water bottles, which they can refill using drinking water stations around the plant.

Earth Hour Participation

In an effort to join the global community in its advocacy to conserve energy, ASFII joined the latest Earth Hour last March 26, 2022 and avoided the use of electricity, covering its plant in darkness for an hour in its effort to help improve the environment.



MAKING USE OF SOLAR POWER

ASFII has gone solar! Last March 2022, ASFII has started using solar energy after the installation of its solar energy facility in its General Santos Plant. It is now equipped with a 600 kWp solar power system installed by Total Energies. The approximate 800 MWh of electricity generated by the system each year will reduce carbon emissions by over 4,100 tons annually, equivalent to taking more than 800 cars off the road.

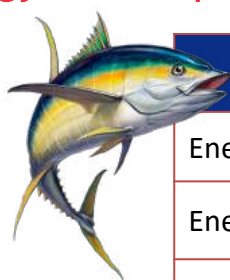
With the use of solar energy, ASFII lessened its use of non-renewable energy derived from fossil fuel such as coal and natural gas, which the latter when burned releases greenhouse gases into the atmosphere. By sourcing a portion of ASFII's electricity use from solar power, ASFII reduced its dependence on non-renewable sources of energy and in the process reduced its impact on climate change by minimizing the air pollution and carbon emissions, thus shrinking its carbon footprint, and in the long-run do its part in fighting climate change and protecting the health of the people.





Resource Management

Energy Consumption Within the Organization



Disclosure	Quantity
Energy Consumption (renewable sources)	No Data
Energy Consumption (gasoline)	Not Monitored
Energy Consumption (LPG)	Not Monitored
Energy Consumption (diesel)	2,133.29 GJ
Energy Consumption (electricity)	3,617,600 kWh

ASFII's main use of electricity in its tuna canning operations is from the use of production machineries and equipment, cold storage utilities, and packaging machines. The Company's logistics team relies mainly on gasoline and diesel for the vehicles they use to transport raw materials and products.

When there is shortage of electricity, the Plant uses its diesel-powered generators for back-up power.

As the Company expands its plant operations and installs new equipment, its electricity consumption increases as well, but not without benefits. An example is the Fish Oil Extraction Equipment which is part of its Fish Meal By-Product processing. This equipment slightly increased the energy consumption of the Company, but it helps reduce the waste that goes to the Wastewater Treatment Facility, as this recovers fish oil from the waste. Both Fish Oil and Fish Meal are produced from solid scrap raw materials.

ASFII has started using solar energy to lessen its use of electricity and diesel last March 2022. It has also started using LED lights which have helped reduce energy consumption.



Water Consumption Within the Organization

Disclosure	Quantity
Water withdrawal	399,448 Cubic Meters
Water consumption	399,448 Cubic Meters
Water recycled and reused	Not Monitored

ASFII mainly sources its water from deep-well submersible pumps that provide abundant water to the Company. The water generated from these wells are used by the equipment and machineries in our daily operations as well as by our employees for their personal hygiene.

These deep wells have the necessary water permits from the National Water Resources Board. Being the main source of water, the Company regularly checks and maintains these wells to avoid any disruption in our operations.

To reduce usage of water, the Company recycles more. We improved our fish thawing process by using a combination of air and water to thaw fish – this minimizes water usage and shortens thawing time. We have also purchased new water hoses with smaller diameters to control water output. Lastly, we use Tray Washers instead of manually washing trays in production which reduces water consumption by as much as 65%.



Materials Used by the Organization

ASFII sources its fish (tuna and salmon) – its main raw material – from fisheries using the most updated best practices methods that are environmentally and socially responsible. Although fish depletion in our oceans and increase in by-catch of sharks, dolphins, juvenile fish and sea turtles, among others, remain industry issues, ASFII maintains its stance to reduce by-catch of these species.

ASFII's continuously commits to improve transparency, traceability, sustainability, equity and social responsibility. The Company likewise supports non-entanglement Fish Aggregating Devices (FAD) and FAD-free tuna, as well as non-transshipment practices at sea without an observer.

Lastly, ASFII does not involve itself in whaling operations, dolphin drive fisheries, shark fin fisheries; the sale, import, export, brokerage of whale and dolphin meat, sea turtle meat and body parts, or shark fins; nor the processing of marine mammal body parts, sea turtle body parts or shark fins.

Disclosure	Quantity
Renewable	N/A
Non-renewable	N/A
Percentage of recycled input materials used to manufacture the organization's primary products and services	
Cans	5%
Papers (paper labels, cartons)	10%
Plastics (shrink films, raw materials, packaging, drums/carboys)	20%
Bottles (laboratory chemicals)	20%
Fish by-products (fish meal and fish oil)	35%



Ecosystem and Biodiversity and Effluents



Disclosure	Quantity
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	4
Habitats protected or restored	0.3949 ha
IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A ha

Operational Facilities	Location
Waste Water Treatment Facility	Within titled property
Wharf Port	Within SAPA Coverage
Fence	Within SAPA Coverage
Materials Recovery Facility	Within tiled property

The Company puts all its efforts in treating its wastewater by using a portion of its leased foreshore area for its clean water discharge. This ensures that its effluents are properly treated for safe release back to the ocean. The Company also schedules pH monitoring of its water in its sedimentation tank.

ASFII ensures its wastewater treatment facility is well-maintained and regularly checked. However, when sudden breakdown of equipment or unavoidable circumstances happen, the Company uses pumps, motors and primary sedimentation tanks to contain the waste.

Effluents are produced by the Company in processing tuna and salmon products, such as in thawing of frozen fish, butchering of fish process (i.e., cutting big-sized fish into smaller sizes), misting of cooked fish, and sanitizing operations of its facilities. Discharge of effluents are treated in the Water Treatment Plant and is periodically monitored to meet the standards set by the Department of Environment and Natural Resources (DENR).

Another effort of the Company to have a more efficient recycling and wastewater treatment is the usage of the collected sludge in the wastewater treatment facility as fertilizer in its vegetable garden around the plant compound. Harvested vegetables from this garden are used to make healthy meals that are served to the employees.



ASFII also has a Pollution Control Officer (PCO) who regularly submits the Self Monitoring Report (SMR) to the DENR for monitoring of biological oxygen demands (BOD) and chemical oxygen demands (COD) of discharged water.

Disclosure	Quantity
Total volume of water discharged	144,175 Cubic Meters
Percent of wastewater recycled.	Not Monitored



Air Emissions & Pollutants

Disclosure	Quantity
Direct (Scope 1) GHG Emissions	11,551 Tonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	N/A
Emissions of ozone-depleting substances (ODS)	N/A

ASFII's equipment that mainly contributes to air emissions and pollution are its boilers and generators. The Company conducts regular maintenance and inspection of these equipment in order to curb the release of greenhouse gases. In addition, we also conduct bi-annual air emission testing based on regulatory standards to regulate air pollutants. We also installed a pollution control device in our chimney called "scrubbers" to further reduce the emission of greenhouse gases.

The Company also requires its suppliers to provide a Certificate of Analysis of Fuel (coal) to ensure that its Proximate Analysis shows low content of sulfur and ash. Lastly, the Company goes through a semi-annual Source Emission Testing conducted by accredited third party testers in compliance with DENR requirements.

ASFII is at present studying the use of biogas fuel for its boilers instead of using coal as another way to lessen the use of non-renewable energy to help improve our environment.

Disclosure	Quantity
NO _x	152 kg
SO _x	664 kg
Persistent organic pollutants (POPs)	N/A
Volatile organic compounds (VOCs)	N/A
Hazardous air pollutants (HAPs)	292 kg
Particulate matter (PM)	141 kg



Solid Waste



Disclosure	Quantity
Total Solid Waste generated	5890 kg
Reusable	390 kg
Recyclable	110 kg
Composted	430 kg
Incinerated	N/A
Residual/landfilled	5,100 kg

The main solid waste produced by ASFII are the rejected cans, cartons, and plastic shrink wraps used in producing canned tuna and other seafood products. However, these are minimal and the Company disposes of these materials through appropriate recyclers.

To reduce its solid waste, ASFII reuses or recycles materials, such as scrap metals from oil barrels for fabrications within the plant. The Company also reuses metals from oil barrels in making queue lines, contactless sanitizer dispensers, and other fixtures within the plant. We also donate the rejected cans, cartons, plastics, and wooden pallets to the Local Government of General Santos City, who then uses these as raw materials for their projects, such as tree planting activities.

To promote waste segregation, labeled trash bins are available around strategic locations within the plant. These bins are sorted into four different types of waste, namely: infectious, biodegradable, non-biodegradable and recyclable.

Lastly, the Company also endeavors to improve its composting pit for its disposal of biodegradable waste.



Hazardous Waste

Disclosure	Quantity
Total weight of hazardous waste generated	
D406 (Batteries)	35 pieces
D407 (Bulbs)	370 pieces
I101 (Used Oil)	536 kg
Total weight of hazardous waste transported	
D406 (Batteries)	200 pieces
D407 (Bulbs)	8,000 pieces
I101 (Used Oil)	2,200 kg

As a manufacturer of canned tuna and other seafood products, ASFII produces hazardous waste, such as used oil, batteries, and fluorescent light bulbs.

In compliance with the mandate of the General Santos City local government, ASFII does not incinerate these waste products, but disposes or recycles them accordingly. The Company also allotted a room to store these Hazardous Waste, which is monitored and maintained monthly, and reported to the Environmental Management Bureau (under the DENR) quarterly.

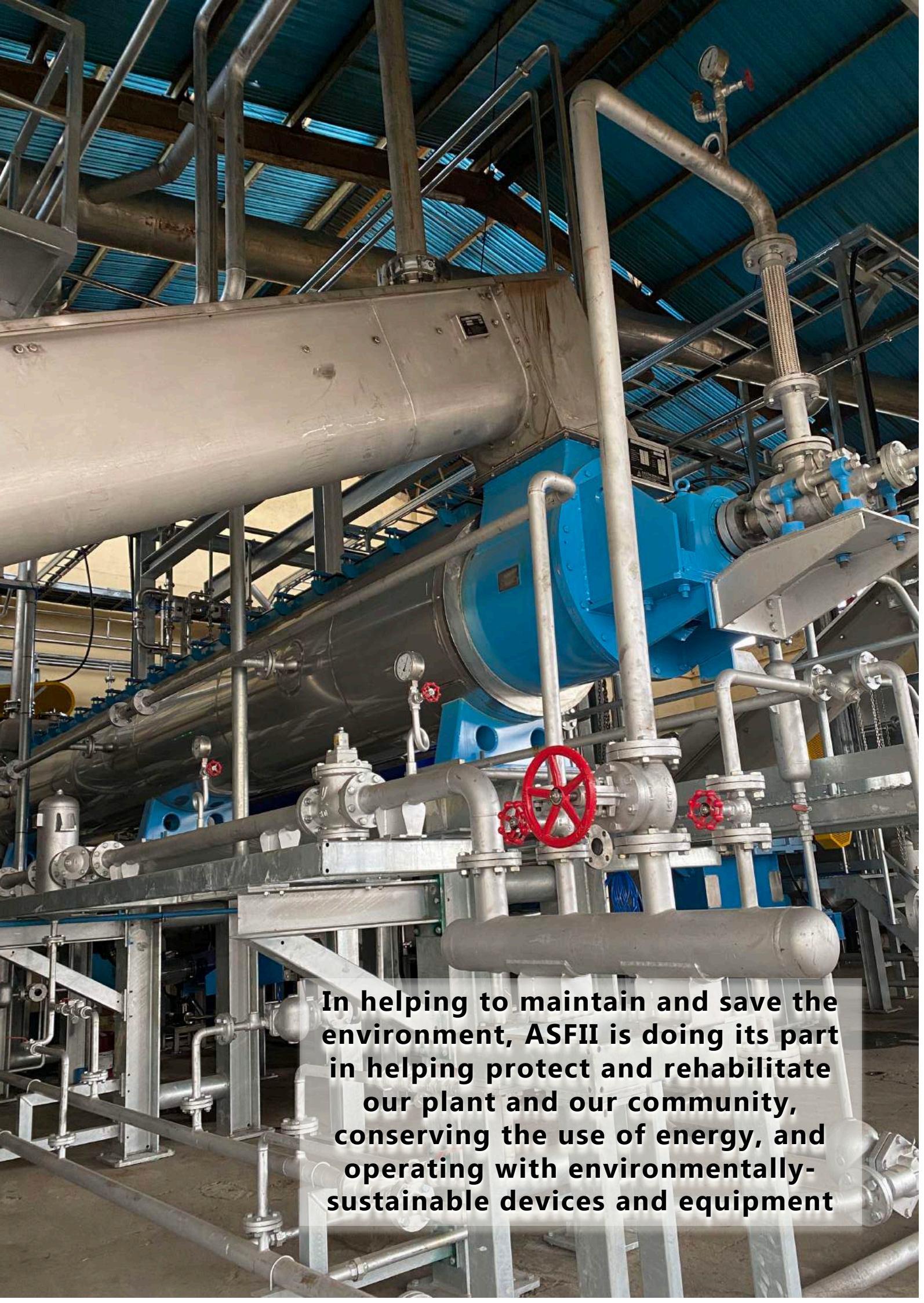
In May 2021, the Company entered into an agreement with a waste treater/transporter in order to collect, transport, treat and dispose of hazardous waste materials from the Company's storage facility to its own Treatment Storage and Disposal Facility.

In 2020, the Company experienced an increase in Infectious Waste which includes used masks, napkin, tissues, cotton, and syringe brought about by the COVID-19 pandemic. The Company makes sure that there is a provision for this type of waste, and that it is properly segregated from the other types of waste. Around the plant, labeled trash bins are located in strategic locations, which include a bin specifically for infectious waste.

Non-Compliance with Environmental Laws and Regulations

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





In helping to maintain and save the environment, ASFII is doing its part in helping protect and rehabilitate our plant and our community, conserving the use of energy, and operating with environmentally-sustainable devices and equipment

SUSTAINABILITY REPORT 2021



SOCIAL PERFORMANCE

42:04





PEOPLE

Alliance Select Foods International, Inc. and its subsidiaries encourage employees' participation in creating a symbiotic environment to realize the Company's goals. With such aim, the Company establishes policies and programs that cover (a) health, safety, and welfare; (b) training and development; and (c) reward or compensation to encourage employees to perform better and feel motivated to take a more dynamic role in the Company.

ASFII in the Pandemic



Years 2020-2021 have been especially challenging for the Company due to the COVID-19 pandemic. When the government of the Philippines declared localized lockdowns in March 2020, the Company's head office in Pasig City was forced to implement work-from-home arrangements. Months after, when COVID positive cases started to surge in General Santos City, ASFII's plant had to execute flexible working arrangements to curb the spread of the novel disease.

To face the abrupt changes brought by this pandemic on all aspects of the Company operations, a business continuity committee - coined **"Plan B"** - was formed. This Committee is composed of heads and personnel from all departments to keep everyone abreast of the times and with the new rules and regulations being enacted from time-to-time by both the national and local governments.

To combat the spread of COVID-19 within the plant, Plan B enacted immediate measures in compliance with Department of Health and Department of Trade and Industry's joint guidelines. This included the implementation of social distancing rules within the plant, strict wearing of masks and face shields, running stringent sanitation, multi-level screening procedures in all entry / exit points of the plant, and ensuring traceability for contact-tracing. Plan B further served as the contract tracer of COVID-19 positive cases inside the plant. **It also became the venue for brainstorming initiatives and activities that help keep our workers safe and their morale upright during this pandemic.** Some of the initiatives that were born out of Plan B were employee programs, such **"Mobile Palengke"** and **"Free Shuttle Service"** in the plant.

The Company also understands the impact of the pandemic on our workers' lives. Thus, in addition to annual leaves, the Company added an additional seven-day fully paid Quarantine Leave for those employees who were exposed to, or ill from, COVID-19. The Company also implemented flexible arrangement schedules, such as rotation of employees, to lessen the headcount within the plant premises. The Company also helped its employees secure the relief assistance called CAMP or **"COVID-19 Adjustment Measures Program"** offered by the Department of Labor and Employment, where affected workers were granted a one-time monetary assistance of PHP5,000.

Employee Management

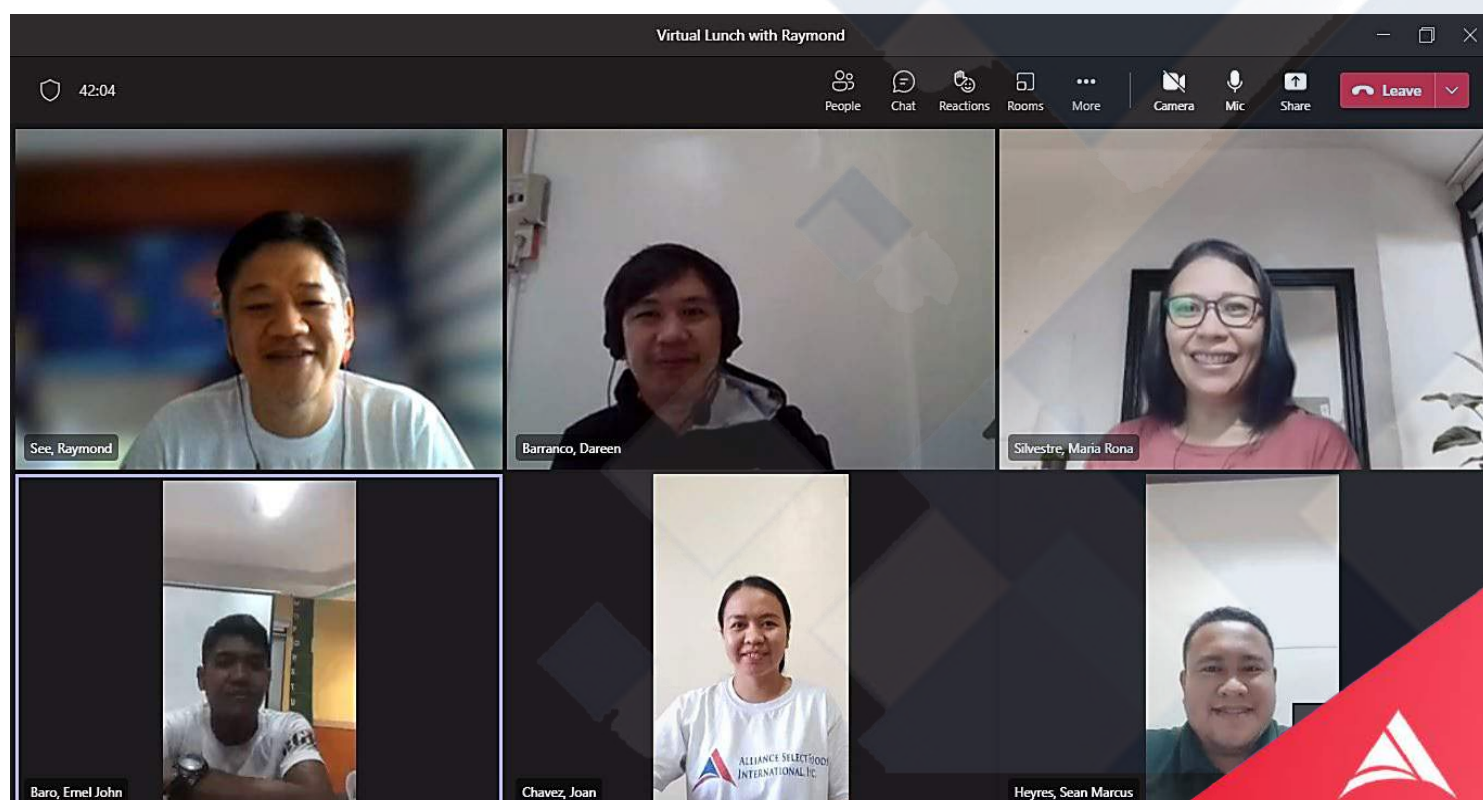
We develop and train our people to help them have a better life as we grow. We aim to have a competitive edge in attracting valuable talents within the industry by creating a desirable workplace underpinned by people empowerment, staff engagement, and targeted performance.

To realize this objective, we commit to develop the full potential of our business enablers – our people. We relentlessly pursue the principles of fair treatment, equality, teamwork, entrepreneurship, and opportunity as foundations of our Human Resource-decisions to help every employee achieve professional and personal growth.

The management ensures fair and consistent treatment of employees through compliance with established Company policies and procedures. Any unacceptable behavior is managed according to relevant Company policies and rules under the law to guarantee employee's rights to due process.

Employee Data

Disclosure	Quantity	Units
Total number of employees in the Philippines (direct and indirect employees)	1,101	
A. Number of female employees	582	#
B. Number of male employees	519	#
Attrition rate	24.40%	rate
Ratio of lowest paid employee against minimum wage	0	ratio





Employee Compensation and Benefits

We recognize the value of our employees. The Company pays wages for regular working hours, overtime hours, and night differentials pursuant to the minimum standards provided under the law in a manner most convenient to workers.

The Company offers its full-time staff a range of benefits, including HMO, group life insurance, annual leaves, bereavement leaves, emergency loans as well as retirement benefits. Also available to employees are personal development and training programs designed to enhance their skills.

List of Benefits	Y/N	% of female employee who availed for the year	% of male employee who availed for the year
SSS	Y	27	22
PhilHealth	Y	1	.04
Pag-ibig	Y	25	16
Parental leaves	Y	1	0
Vacation leaves	Y	5	6
Sick leaves	Y	1	1
Bereavement leave	Y	1	2
Medical benefits (aside from PhilHealth)	Y	1	1
Housing assistance (aside from Pag-Ibig)	N	N/A	N/A
Retirement fund (aside from SSS)	N	0	0
Further education support	N	N/A	N/A
Company stock options	N	N/A	N/A
Telecommuting	Y	2.72	11.48
Flexible-working hours	Y	2.72	11.48
FREE Shuttle service during pandemic	Y	1	1
Emergency loans at no interest	Y	1	5

2021
Health
Awareness
Seminar

COVID-19 vaccine updates

APRIL 28, 2021
(WEDNESDAY)

9:00 - 9:30 AM



DR. ANTHONY CANDIA
Occupational Health Physician
Resource Speaker

Click the link below to join the webinar



LIVE Webinar DRUG-FREE Workplace

17
SEPTEMBER

3:30
PM



Dr. Angelie "Angie" Dugasan
ASFII Occupational Health Physician
Resource Speaker

You may join via **ZOOM**, just click the link below!



STRESS MANAGEMENT Webinar

July 23 (Friday)
9:00 AM to 10:00 AM

Dr. Jerry Trinidad
Resource Speaker

You may join via **ZOOM**, just click the link below!



In partnership with

Intellicare
YOUR INTELLIGENT HEALTH CHOICE



MENTAL HEALTH Webinar

July 28 (Wednesday)
9:00 AM to 10:00 AM

Resource Speaker
Dr. Nicole Anne "Aika" Buenavista
Certified Lifestyle Medicine Physician
Occupational Health Physician
Health and Wellness Speaker
Telemedicine Consultant



You may join via **ZOOM**, just click the link below!

CHAIR Yoga Webinar

MONDAY
AUGUST 2, 2021
10:00 AM



Sheila Hinaut
Instructor

In partnership with
Intellicare
YOUR INTELLIGENT HEALTH CHOICE

You may join via **ZOOM**, just click the link below!



WEIGHT LOSS | Webinar

Monday
August 9, 2021
10:00 AM



In partnership with

Intellicare
YOUR INTELLIGENT HEALTH CHOICE

You may join via **ZOOM**, just click the link below!



NICOLE ANNE "AIKA" BUENAVISTA, MD, DIPBLM

Certified Lifestyle Medicine Physician
Occupational Health Physician
Health and Wellness Speaker
Telemedicine Consultant

Aside from statutory and other Company benefits, ASFII is in constant search of projects and activities that can be shared with all of its workers to keep them motivated. We make our employee programs competitive by benchmarking them with other industries.

In 2021, the Company, in partnership with Intellicare provided a series of webinars to help boost employee morale.

Shuttle Service

Our employees and workers enjoy the safety and convenience of a Company-provided shuttle service as they travel to and from the plant. For some of our workers' shuttle units, we partnered with local public transport drivers to give them a steady source of income during the pandemic.

In picture is Sierwin Salmon, who lives in Katangawan (more than 30km away from our plant in Tambler); he is thankful for this convenient initiative by the Company.





Vegetable Gardening

Employees planted vegetables during their gardening activity on June 6, 2020. Harvested produce from this garden is still being served for free to our employees. This project aims to help employees maintain healthy minds and bodies (especially in the time of COVID-19).

Kirsten Exim, an employee-participant, stated, “This activity is an opportunity to bond with my colleagues and to sustain the Company’s goal to keep employees healthy.”



Employee Training and Development

The Company carries out a continuing practical and positive program of training and development for all its employees. This is to ensure maximum efficiency in the performance of their functions, duties, and responsibilities as well as to improve their morale.

Efficiency is crucial in the performance of our workers – managers at all levels are enjoined to identify the training needs of their people to improve their performance.



Disclosure	Quantity
Total training hours provided to employees (direct employees)	
A. Female employees	81 hours
B. Male employees	81 hours
Average training hours provided to employees	
A. Female employees	7.5 hours/employee
B. Male employees	7.5 hours/employee



Labor-Management Relations

The Company has no Collective Bargaining Agreement with its employees as of December 31, 2021. However, the Company respects the right of its workers to form unions or other kinds of worker's associations and to engage in collective bargaining.

Disclosure	Quantity
% of employees covered with Collective Bargaining Agreement	0
Number of consultations conducted with employees concerning employee-related policies	N/A

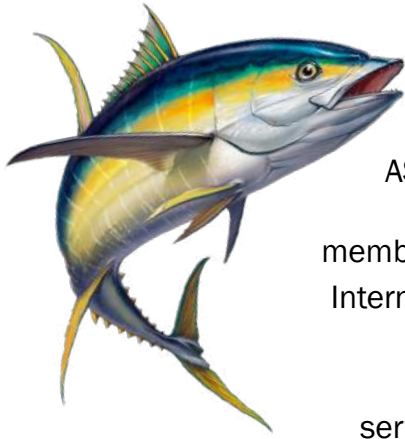
To ensure unhampered operations, the Company strictly complies with labor standards and internal safety policies. Management keeps its doors open for discussion with its workers. Workers are likewise keep informed of the programs and initiatives of the Company to encourage collaboration. Reward system is also in place to keep workers engaged and involved.

Diversity & Equal Opportunity

The Company addresses employment in the vulnerable sector that is usually not given a lot of attention or opportunity. We have a policy on non-discrimination of workers, and we encourage discussion with sectors that can deploy people regardless of their gender, condition, or ethnicity.

Disclosure	Quantity
% of female workers in the workforce	16%
% of male workers in the workforce	12%
Number of employees from indigenous communities and/or vulnerable sector	312

We aim to be more productive and creative as the workforce becomes more diverse and gender-inclusive by setting avenues for employees to collaborate and discuss ideas freely.



AEMCO

ASFII Employees Multi-Purpose Cooperative (AEMCO) is a multi-purpose, non-agricultural cooperative open for membership to all regular employees of Alliance Select Foods International, Inc. **As of December 31, 2021, AEMCO has 81 members.** Their business activities include lending at affordable interest rates to its members and service providers, and selling of ASFII's products within the plant.

In 2021, the Company entered into an agreement with AEMCO, where the latter became the Company's cafeteria concessionaire.





Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

We are committed to provide a safe working environment to foster the well-being and health of each employee and those that are affected by our undertakings. It is Company policy to uphold the dignity of every individual.

The Company believes that the health and safety of the employees are of utmost importance. We train our people on our safety policies regularly to lessen or eradicate the occurrence of incidents. All employees are also required to notify the management immediately should incidents occur for immediate response.

Disclosure	Quantity
Safe Man-Hours	969,000 man hours
No. or work-related injuries	15
No. of work-related fatalities	0
No. of work-related ill-health	0
No. of safety drills	2

The Company directs all its employees to protect the Company's property and facilities. Thus, employee trainings on (1) performance of duties; (2) safe working conditions; (2) safe facilities; and (4) protective equipment are regularly provided.

When the workers feel safe in the Plant, the Company experiences increase in productivity and savings from incident-related costs. When workers feel secure, they are more focused at work and more effective at what they do!



STOP

DECIDE → STOP → OBSERVE → ACT → REPORT

**REPORT UNSAFE ACTS AND CONDITIONS OR
COMMEND SAFE ACTS AND PRACTICES ANYTIME.**

STOP REPORT

In 2020, the Company launched STOP Report in an effort to encourage employees to “stop” and observe their surroundings for unsafe conditions, practices, and acts; commendation for best practices may also be submitted.

The Best STOP Reports for each month are announced and rewarded.

Date:	04 Nov 2021	Unsafe Acts / Conditions	Action/s Taken
Name of Stopper:	Roy Bazar	No segregation of waste (cans, cartons and face mask mixed) and improper disposal of can lids (good stocks)	Inform area owner for proper disposal of waste and raw materials
Company:	ASFII		
Area Observed:	Seaming Area		
Name of Person/Equipment Observed:			



Date:	04 Nov 2021	Unsafe Acts / Conditions	Action/s Taken
Name of Stopper:	Queenie Besonia	Possible cause of tripping and result to minor injury	Report to Engineering Head for information and actions
Company:	ASFII		
Area Observed:	Back of Production Area near Fishmeal Plant		
Name of Person/Equipment Observed:	Fishmeal Operators/Engineering		



STOP
DECIDE → STOP → OBSERVE → ACT → REPORT

STOP
DECIDE → STOP → OBSERVE → ACT → REPORT

Date:	18 Nov 2021	Unsafe Acts / Conditions	Action/s Taken
Name of Stopper:	Arlene Ypil	Tap not turn off after using	Turned-off
Company:	ASFII		
Area Observed:	Receiving Fz fish dumping area		
Name of Person/Equipment Observed:			



Date:	16 Dec 2021	Unsafe Acts / Conditions	Action/s Taken
Name of Stopper:	Marilou Nason	Labelling Door with plastic yellow curtain not visible if forklift pass by. Specially during loading.	Plastic yellow curtain not visible if forklift pass by specially during loading. Labelling machine is near at the door way
Company:	ASFII		
Area Observed:	Labelling		
Name of Person/Equipment Observed:			



STOP
DECIDE → STOP → OBSERVE → ACT → REPORT

STOP
DECIDE → STOP → OBSERVE → ACT → REPORT



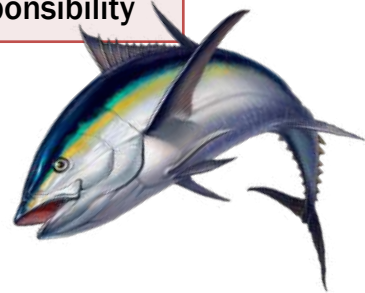
Labor Laws and Human Rights

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

The Company is aware of our responsibilities to our shareholders, employees, suppliers, customers, and society as a whole, especially to our neighboring communities.

To this end, we have operating principles under the broad heading of Ethical Policy, which covers the following:

Topic	Y/N	If Yes, cite reference in the company policy
Forced Labor	Y	HRD-006 Corporate Social Responsibility
Child Labor	Y	HRD-006 Corporate Social Responsibility
Human Rights	Y	HRD-006 Corporate Social Responsibility



Supply Chain Management

Social and Ethical Responsibility Requirement from Third Party Contractors

We ensure that our tuna supply chain is socially and ethically responsible. This means ensuring safe and fair working conditions, ensuring equitable fishing agreements, maintaining strict human rights standards for all products sourced, and employing fishing methods that are ethically acceptable within the global standards set by various global organizations and NGOs.

Our policy on Social and Ethical Responsibility may be accessed via
http://corporate.allianceselectfoods.com/wp-content/uploads/2020/04/FINAL-PUR-03-Tuna-Procurement-Policy_Alliance-rev-v5.pdf

A. Ethical Responsibility

- **DOLPHIN SAFE** – We exclusively purchase and distribute canned tuna products only from suppliers that has a Dolphin Safe corporate policy confirmed and approved by Earth Island Institute’s International Monitoring Program (IMP) and/or the European Dolphin Safe Monitoring Organization (EDSMO).
- **SHARK FINNING** – We, including our subsidiaries and affiliates worldwide, do not participate in, or profit from, nor are connected with companies involved in whaling operations, dolphin drive fisheries, shark fin fisheries; nor the sale, import, export, brokerage of whale/dolphin meat, sea turtle meat/body parts, or shark fins; nor the processing of marine mammal body parts, sea turtle body parts or shark fins.

B. Social Responsibility

- **SLAVERY AT SEA AND DECENT WORKING CONDITIONS IN FISHING** - It is our Company policy that all our suppliers provide a fishing crew manifest for each fishing vessel. We refuse to source tuna from vessels that collect guarantee deposits from its crew.
- **FAIR LABOUR PRACTICES** - We adhere to fair labor practices that assure that the Company and its suppliers are socially-accountable and adopt policies and standards that protect and safeguard its workers. ASFII ensures that its suppliers also adhere to its policies and standards, such as:
 - **No Forced or Bonded Labour** - ASFII and its suppliers firmly prohibit any form of forced or bonded servitude, trafficked and non-voluntary labour.
 - **No Child Labour** – ASFII prohibits hiring any worker below the minimum legal age. ASFII ensures that the suppliers it transacts with do not hire underaged labor and crew for their sea-based fishing work.



Social and Ethical Responsibility Requirement from Third Party Contractors

- **Support of International Labour Organization Core Conventions** – ASFII and its suppliers adhere and support the following International Labour Organization Core Conventions for workers; protection against Forced and Child Labor, and promotion of workers' rights:
 - Forced and Child Labour:**
 - ILO C29 Convention on Forced Labour, 1930.
 - ILO C105 Abolition of Forced Labour Convention, 1957.
 - ILO C138 Minimum Age Convention, 1973.
 - ILO C182 Worst Forms of Child Labour, 1999.
 - Promote and Exercise Workers' Right:**
 - ILO C87 Freedom of Association and Protection of the Right to Organize, 1948.
 - ILO C98 Right to Organize and Collective Bargaining, 1949
 - ILO C100 Equal Remuneration, 1951.
 - ILO C111 Discrimination (Employment and Occupation), 1958.
- **Renumeration** – ASFII gives the appropriate salary rates to employees and does not violate against the minimum wage rate required by law. ASFII ensures that the suppliers it contracts with pay their crew at least the minimum wage required by law.
- **No Precarious Employment** – ASFII hires and ensures that its suppliers hire workers on the basis of documented contracts providing for security of tenure and according to the law, which are completely understood by the workers, and contain specific provisions on rights and conditions of work, renumeration, hours of work, and benefits among others.
- **No Discrimination** – ASFII provides equal opportunities and does not discriminate against workers. ASFII employs handicapped workers, and employees from different religious belief and tribes. ASFII ensures that the suppliers it deals with treat their workers and crew equally despite differences in race, nationality, legal status, or religion.
- **Rights of Freedom of Association and Grievance** – ASFII and its suppliers respect the rights of its workers to associate and engage in any form of grievance to express their workers' Rights. ASFII and its suppliers assure that its respective workers are provided with an operative grievance machinery where they can give grievance without fear of any form of reprisal.



Social and Ethical Responsibility Requirement from Third Party Contractors



- **Decent Working Hours** – ASFII observes the law regarding prescribed hours of work. ASFII ensures that it deals with suppliers that provide each of their crew adequate amount of resting hours for the protection and safety of the crew.
- **Ethical Business Behavior** – ASFII does not tolerate any act of corruption, extortion, embezzlement, or bribery. ASFII also prohibits and requires that its suppliers do not engage in corruption, extortion, embezzlement, or bribery as well. ASFII and its suppliers require strict compliance with the legal requirements of its trade.
- **Occupational Health and Safety** – ASFII and its suppliers ensure a healthy and safe working environment by assessing risk and taking all necessary measures to eliminate or reduce it. ASFII and its suppliers require safe and healthy working conditions with proper lighting, noise reduction, and sanitation, with access to proper medical service, clean food, and drinkable water.
- **Special Protection for Young Workers** – ASFII and its suppliers do not employ, nor subcontract, individuals who have not attained the age of majority. Young individuals who wish to acquire training with ASFII are supervised and mentored.
- **Protection of the Environment and Fishing Ground** – ASFII, its employees, and its suppliers encourage the conservation of our natural resources such as energy and water, balancing the ecosystem, and the preservation of fishing ground. ASFII is a constant awardee of GREEN Rating from the Department of Environment and Natural Resources (DENR), therefore, we are committed to environmental protection and sustainable management of resources through full compliance with applicable local and international environmental regulations. ASFII and its products are certified by Marine Steward Council (MSC). ASFII supports the sustainability program and Fisheries Improvement Program (FIP). We require our Suppliers to abide by all the National Fisheries Regulation (BFAR) and International regulations including conservation measures implemented by the Regional Fisheries Management Organization (RFMO).

Relationship with Community

We believe that it is to our mutual advantage to support the communities that provide our opportunity to do business and also support people and communities outside our locality with the aim of making their lives better and giving the opportunities they may otherwise not have.

Operations with significant (positive or negative) impacts on local communities	Location	Vulnerable groups (if applicable)*	Does the particular operation have impact on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
Providing equal employment opportunities	General Santos City & Pasig City	ASFII employs more or less 15 differently-abled workers in our processing lines.	A portion of our workforce comes from the ethnic groups in the region.	N/A	N/A

We are positive that as ASFII grows, the livelihood opportunities that will be open for our neighboring community will likewise grow. We aim to continue providing equal employment and opportunity to the community, regardless of their ethnicity, gender, and physical ability.



Relationship with Community

CORPORATE SOCIAL RESPONSIBILITY

The Company gives back to the community with the following programs:

Bay of Gold Scholarship Program

The BOG Scholarship Program was launched in 2019 to promote a better marine environment for the people of General Santos City.

With every purchase of some of our products, such as the Bay of Gold Select Tuna and Bay of Gold Canned Salmon products, our five scholars become one step closer to achieving their golden dream of securing the splendor of our seas for generations to come.

A Heart of Gold!

Support the Bay of Gold scholars &
help sustain our oceans with every
purchase of our products!



In November 2021, ASFI signed a new Memorandum of Agreement with its new batch of Bay of Gold scholars namely, Jericho Corpuz Adtoon, Christine Joy Jaen, Kyenna Claire, Airlin Torrefiel, and Kate Margarette Lim. These scholars are BS Marine Biology or BS Fisheries students of Mindanao State University. They will receive financial assistance from ASFI that will fully cover their school fees, plus other allowances. The scholars also received products from the Company as an aid to their families in the time of COVID-19.



One scholar shared,

“As a Bay of Gold scholar, laking pasasalamat ko sa binigay nilang canned tuna at pagbisita... Upang kumustahin ang aming kalagayan.”



Adopt-a-School: Changco Elementary School

In giving back to the community, ASFII participates in the Adopt-A-School Program of the Government that encourages private companies in assisting public schools in delivering better quality education. ASFII adopted the Changco Elementary School in Barangay Siguel in General Santos City in 2020 to assist the school in addressing the shortage in resources to provide competitive quality education.

In 2020, employees distributed more relief goods to families of the pupils of Changco Elementary School to help them cope with the economic impact of the pandemic. In 2021, the Company continued its support to the school by donating materials for their water connection system.

Our Commitment

It is the Company's goal to be socially responsible in all its dealings with the communities where it operates. It ensures that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of their comprehensive and balanced development.

The Company recognizes and places importance on the interdependence between business and society. It promotes a mutually beneficial relationship that allows the Company to grow its business, whilst contributing to the advancement of the society where it operates.

The Company undertakes to comply with all existing regulations and employ value chain processes that takes into consideration economic, environmental, social and governance safeguards. In considering sustainability concerns, the Company shall play an active role alongside the Government and other sectors in contributing solutions to complex global challenges like poverty, inequality, unemployment and climate change.





Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	No available data	N

Creating value for our customers and business partners is the core objective and driver of the Company's bottom line.

Customer satisfaction impacts the Group's overall revenue, thus the Company endeavors to meet customers' expectations, serve their demands, and attend to their complaints, if there is any.

Customer service has always been a huge part of the training of our in-store partners. The Company is improving its Customer Service Program that will demonstrate how we can monitor the satisfaction level of our customers, and how we should respond to their expectations, demands and complaints. The Company also provides a quick feedback mechanism from our customers via email, our website, as well as social media presence.

The Company wishes to lead the customers to become sustainable shoppers and choose healthy and more nutritious food. The Company is preparing a Food Safety Program and other sustainable programs that will help care of our customers' health.



Customer Management

Health and Safety



Disclosure	Quantity
No. of substantiated complaints on product or service health and safety	0
No. of complaints addressed	0

We are fully compliant with the government requirements on food processing. We provide our customers with quality materials and ingredients, and employ well-controlled processes and sanitary conditions.

With this commitment to our customers, sanitation maintenance is a shared responsibility by everyone in our command chain to continue its efforts towards above-reproach sanitary conditions and practices..

Being in the food business, it is possible that our products may cause allergies and other health-related incidents. To address this, every worker in our Company is informed of possible food contaminants and food safety hazards (physical, chemical, biological); sources of microbial contamination (environmental, handling and processing); and good manufacturing practices.



Marketing and Labeling

Disclosure	Quantity
No. of substantiated complaints on marketing and labeling	0
No. of complaints addressed	0

End customers rely on the labeling of our products for its safety, nutrition, taste, and effectiveness. The Company recognizes the impact of incorrect labelling which may lead to injuries to our customers. The Company ensures that all FDA requirements and approvals for marketing and labeling of products are complied with. Apart from third party and FDA audits, the Company also puts traceability measures to ensure that incidents related to it are accurately captured and promptly resolved.





Customer Privacy and Data Security

Disclosure	Quantity
No. of substantiated complaints on customer privacy	0
No. of complaints addressed	0
No. of customers, users and account holders whose information is used for secondary purposes	0
No. of data breaches, including leaks, thefts, and losses of data	0

The Company is fully compliant with the Data Privacy Act of 2012, and has a registered Data Protection Officer in the name of Ma. Berniefel B. Sarmiento.

In 2021, the Company formally conducted its Data Privacy Impact Assessment throughout the organization, and successfully disseminated its Data Privacy Policy to its employees. The Company website also provides a Data Privacy Notice to inform its visitors of how the Company processes their data.

To further safeguard the processing of personal information of its stakeholders, the Company continuously invests in reliable technology to protect its systems from hacking and other manipulations.



Creating value for our customers and business partners is the core objective and driver of the Company's bottom line.



UN Sustainable Development Goals

Product or Service Contribution to UN SDGs

TUNA PROCUREMENT

Societal Value / Contribution to UN SDGs

Our goal is to source all of our Tuna stocks only from healthy (not overfished, not listed as threatened on the International Union for Conservation of Nature (IUCN) Red List, and demonstrating good management quality) and well-managed stocks, from fisheries using the most current best practices in methods, by-catch reduction and environmentally-responsible, socially-responsible, and reasonably-priced for our consumers. To achieve these goals, we are committed to improve transparency, traceability, sustainability, equity/social responsibility, and compliance. We will support the International Seafood Sustainability Foundation's (ISSF) common ground philosophy for Tuna Sustainability (<http://issf-foundation.org/what-wedo/areas-of-focus/tuna-conservation/>). We will make a concerted effort to actively promote the products that meet or exceed the benchmarks set in this procurement policy. We will also work with other stakeholders such as the fishing industry, the community, environmental conservation groups, and the Government to achieve our goals of sourcing sustainable tuna.

Potential Negative Impact of Contribution

Ineffective practices may still contribute to overfishing of particular tuna species.

Management Approach to Negative Impact

Management ensures that all Tuna Sourcing activities are conducted properly and follow a stringent guideline as outlined in its Procurement policy. These established processes and procedures undergo regular audits by Greenpeace, and to this end, ASFII has consistently ranked as the No. 1 green-rated cannery in 2018 and 2020.





BAY OF GOLD TUNA PRODUCTS

Societal Value / Contribution to UN SDGs	Local house brand available in all major retailers and supermarkets that is FAD-free, dolphin safe and compliant with fair labor practices and social responsibility best practices.
Potential Negative Impact of Contribution	Ineffective practices may still contribute to overfishing of particular tuna species.
Management Approach to Negative Impact	Management undergoes regular audits to ensure stringent conformance to industry best practices.

BAY OF GOLD SCHOLARSHIP

Societal Value / Contribution to UN SDGs	Portion of sales revenue is donated to fund scholarships for students of Mindanao State University pursuing degrees in Fisheries and Agriculture.
Potential Negative Impact of Contribution	Beneficiaries of the scholarships may choose to engage in careers in different industries once they graduate.
Management Approach to Negative Impact	ASFII regularly engages with the scholars to help instill values and best practices to build awareness for responsible stewardship of the environment.