

2025

Sustainability Report



ALLIANCE SELECT FOODS
INTERNATIONAL, INC.

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MESSAGE FROM THE PRESIDENT



The Year 2025 was both *challenging* and *transformative* for our Company. While we faced significant headwinds, these experiences strengthened our resolve to become **more resilient, disciplined, and future-ready.**

During the year, we advanced our **sustainability journey** by embedding **environmental, social, and governance** considerations more deeply into our operations. Guided by a structured materiality assessment and aligned with evolving global standards, we sharpened our focus on what matters most and identified the areas where we must continue to improve.

We are taking deliberate steps to strengthen our systems, tighten our processes, and enhance how we manage risks and opportunities across our business. These efforts position us not only to recover, but to build a stronger foundation for **long-term, sustainable growth.**

With **renewed determination**, we move forward - committed to creating **lasting value** for our stakeholders and shaping a **better, more sustainable tomorrow.**

Maraming salamat po!

Jeffrey P. Yulo
President & CEO
Alliance Select Foods International, Inc.

BOARD OF DIRECTORS

Lorenzo Sixto T. Lichauco – 69, Filipino | Chairman of the Board

- **Chairman of the Executive Committee**
- President and Managing Director, Seawood Resources, Inc.
- Extensive experience in securities and stockbroking (HSBC Securities, CLSA, Maybank-ATR-Kim Eng, etc.)
- Former head of Asset Management Group, GSIS
- MBA, George Washington University; AB Economics, Westminster College



Gabriel A. Dee – 61, Filipino | Vice-Chairman

- Managing Partner, Picazo Buyco Tan Fider Santos & Dee Law Offices
- Director and Corporate Secretary of various corporations
- Law professor (UP College of Law; DLSU Tañada-Diokno College of Law)
- LL.B., University of the Philippines; LL.M., UC Berkeley





Jeffrey P. Yulo – 55, Filipino | Director, President, and CEO

- **Member, Executive Committee**
- Former COO, Goldilocks Bakeshop; Cargill Joy Poultry
- Held leadership roles in Coca-Cola FEMSA, GSK Philippines, Reckitt Benckiser, Unilever
- BS Marketing Management, Colegio de San Agustin

Dobbin A. Tan – 62, Filipino | Director

- **Member, Audit, Risk Oversight, and RPT Committees**
- Chief Executive Officer, Rising Tide Digital, Inc.
- Former executive roles in Information Gateway, Dutch Boy Philippines, Informatics
- BS Management Engineering, Ateneo; MBA, University of Chicago Booth
- Completed executive programs (AIM, UA&P)



Domingo C. Go – 65, Filipino | Lead Independent Director

- **Chairman, Audit Committee; Member of Governance, Executive, and RPT Committees**
- Independent Director, Mitsubishi Motors Finance Philippines
- Former executive at Metrobank; roles in FINEX and related organizations
- BS Management (Honors), Ateneo; MBA, University of the Philippines
- Life Fellow, Institute of Corporate Directors





Fernando L Gaspar – 74, Filipino | Independent Director



- **Chairman, Corporate Governance and RPT Committees; Member of Audit and Risk Committees**
- Former CEO, Falconer Aircraft Management and Aviation Concepts
- Held senior roles in ICTSI, Roxas and Company, and Kuok Group
- BS Chemical Engineering, De La Salle University

Raymund A. Sanchez – 55, Filipino | Independent Director



- **Chairman, Board Risk Oversight Committee; Member of Governance Committee**
- Chairman, RAS Leadership Consultancy
- Over 30 years of leadership experience (Novartis, Reckitt Benckiser, Hershey, etc.)
- Certified Leadership Coach
- BS Business Administration, Silliman University; executive studies (Northwestern, MIT)

EXECUTIVE OFFICERS

Jeffrey P. Yulo

President and Chief Executive Officer

Eldwin S. Umusig

Vice President for Operations

Jackson Emil G. Lumaban

Vice President for Sales and Business Development

Kyle David A. Dee

Corporate Secretary

Genevi Dianah Lao-Dumalag

Head of Finance

Maria Resa S. Celiz

Assistant Corporate Secretary and Chief Compliance Officer

Rona A. Silvestre

Risk Officer

Gino Marco P. Bautista

Data Protection Officer





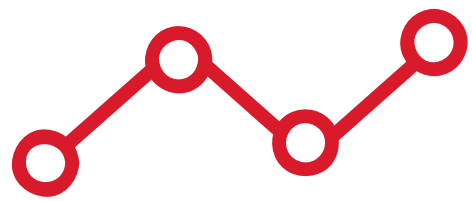
MISSION

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.

VISION

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

CORE VALUES



Integrity ensures that we conduct our business with honesty and strong moral principles.

Accountability means taking responsibility for our actions and decisions.

Concern reflects our dedication to the well-being of employees, customers, and communities.

Teamwork fosters collaboration, allowing us to work towards a shared goal and achieve success together.





HISTORY

Incorporation of **Alliance Tuna International, Inc.** (Sept. 1, 2003)



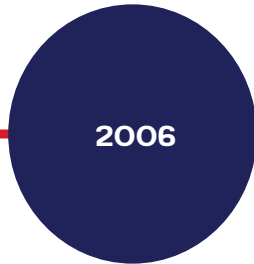
2003



Started commercial operation in GenSan

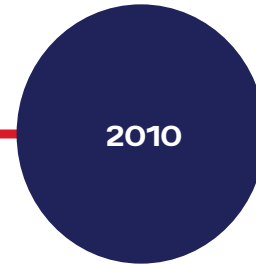
Tuna Processing, Canning, & Export

Shares listed with the PSE through an IPO (Nov. 6, 2006)



2006

Expanded to salmon and other seafood processing by forming **Big Glory Bay Salmon & Seafood Company** in GenSan City



2010

Changed company name into **Alliance Select Foods International, Inc.** (July 22, 2010)

Present

Continuous growth and expansion of our product lines and market reach



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 seafood processing	Philippines
PT International Alliance Food Indonesia (PTIAFI)	99.98	Export Trading	Indonesia
Alliance MHI Properties, Inc, (AMHI)	98.89	Leasing	Philippines

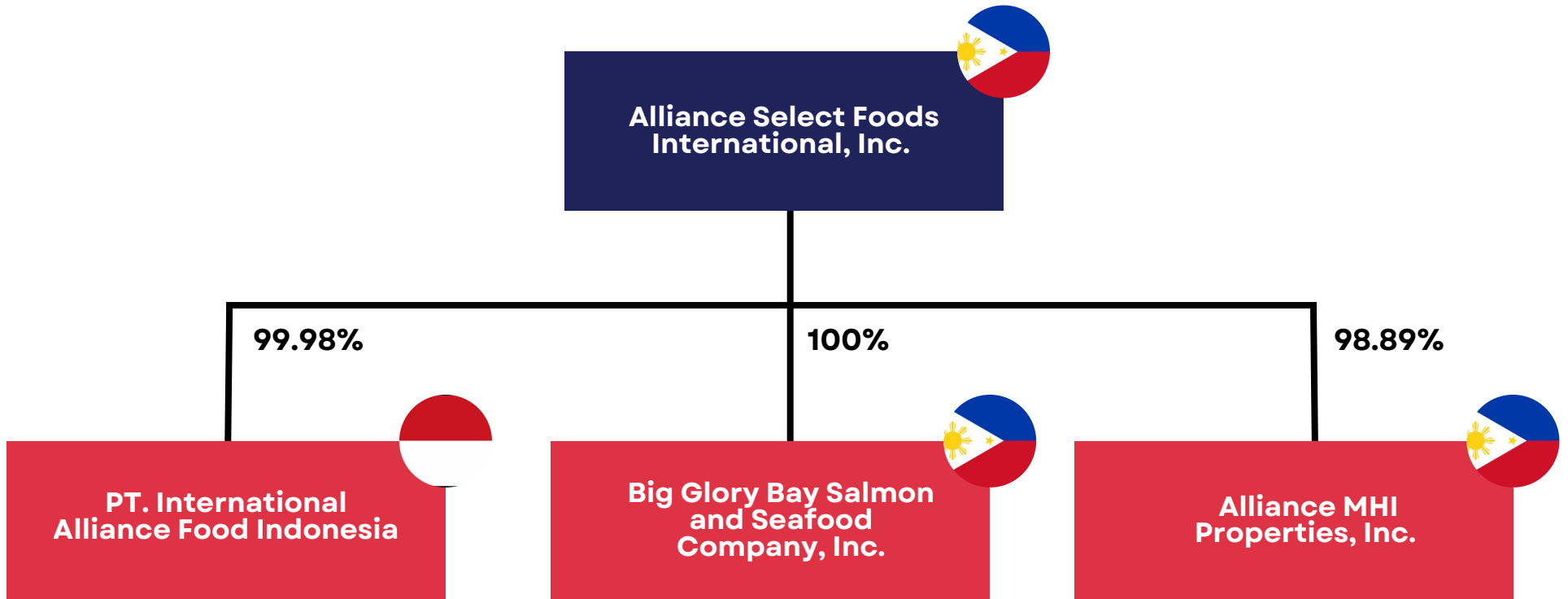
BGB BGB has plant facilities that are located in Barangay Tambler, General Santos City. BGB imports salmon from New Zealand, Chile, and Norway, among others. The smoked salmon products from BGB are sold locally and abroad.

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

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

COMPANY STRUCTURE





WHERE WE DO BUSINESS



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.

OUR PRODUCTS



Tuna

ASFII sources tuna from various suppliers and produces a wide assortment of processed tuna products, such as canned tuna, tuna in pouches, frozen tuna loins, and a premium line sold under the Bay of Gold brand. The company caters to both institutional and retail markets, with its canned and pouched products commonly supplied to restaurants, hotels, and commissaries. In addition, ASFII provides toll-packing services for wholesalers, distributors, and other food companies, allowing them to market these products under their own brands.

Salmon

ASFII's subsidiary, BGB, focuses on processing a variety of salmon species into smoked and premium-cut products for both retail and institutional markets. These items are offered chilled or frozen and are vacuum-packed in a range of cuts and portion sizes. They are distributed in retail outlets under the Prime New Zealand, Gold Standard, and Superfish brands.



OUR PRODUCTS

Fish Oil

As part of its tuna recovery operations, ASFII extracts valuable fish oil from various parts of the pre-cooked tuna, particularly the head. This oil is rich in essential nutrients commonly used in animal feed and can also be further refined for human consumption. Currently, ASFII produces around 24,500 kilograms of crude fish oil per month, supplying local agricultural enterprises and food processing companies.

Fishmeal

Fishmeal is a by-product derived from tuna and salmon processing operations and is widely used as an additive or primary ingredient in animal feed. Through its production of fishmeal, ASFII is able to maximize the utilization of processing waste, creating additional value while supporting its sustainability efforts.

CERTIFICATIONS

FOOD SAFETY AND QUALITY

- Food and Drugs Administration of the Philippines (FDA)
- U.S. Food and Drug Administration (FDA)
- Hazard Analysis Critical Control Points (HACCP) by the Department of Agriculture, Bureau of Fisheries and Aquatic Resources (DA-BFAR)
- Bureau of Animal Industry (BAI) as Exporter, Toll Manufacturer and Commercial Mixed Feed
- BRCGS Global Standard for Food Safety
- International Featured Standards (IFS) for Food Safety
- Halal standard by the Islamic Da'wah Council of the Philippines

SUSTAINABILITY

- Earth Island Institute with Dolphin Safe Certificate
- Marine Stewardship Council (MSC) Chain of Custody
- Friend of the Sea Chain of Custody by London Association
- Environmental Compliance Certificate (ECC) by Department of Environment and Natural Resources (DENR)
- Social Compliance Accreditation by SMETA 4 Pillars, SEDEX, BSCI and ICS

Sustainability at ASFII

OUR COMMITMENT

SUSTAINABLE VALUE CREATION

ENVIRONMENTAL STEWARDSHIP

PEOPLE DEVELOPMENT

ETHICAL GOVERNANCE & ACCOUNTABILITY





OUR COMMITMENT

Key Challenges and Material Risks

ECONOMIC

- Disruptions in logistics, sourcing, and plant operations
- Liquidity constraints and margin pressure

ENVIRONMENTAL

- Climate variability and environmental compliance pressure

GOVERNANCE

- Non-compliance with food safety, labor, and environmental regulations
- Cybersecurity threats and system vulnerabilities

SOCIAL

- Workforce capability, occupational safety, and product quality risks

SUSTAINABLE VALUE CREATION



Profitability

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Economic performance & profitability

Key Performance Indicator	2025	2024	2023	2022	2021
Revenue Growth Rate	9%	28%	63%	-15%	-35%
Net Profit Margin	-2%	-4%	-5%	-10%	-3%
Current Debt	1.05	1.04	1.04	1.11	1.02
Debt-to-Equity Ratio	3.82	2.71	2.42	1.17	0.92
Returns on Average Stockholders' Equity	-13%	-22%	-17%	-19%	-6%

The Group's consolidated revenues reached **\$78.8 million** in 2025, representing a **9%** increase from **\$72.5 million** in 2024. During the year, tuna-related products continued to account for the majority of total revenues, while the salmon business contributed less than 1%. The revenue growth was primarily driven by the ASFII parent company's higher sales volume of canned and pouch products for export, as well as improved fish prices.

Despite favorable fish prices, the Group's gross profit margin declined to **7.6%** in 2025 from **11.1%** in 2024. This decrease was mainly attributable to an unfavorable product mix, higher production costs, and a decline in fresh fish purchases.

As a result, the Group recorded a net loss before tax of \$1.6 million in 2025, an improvement compared to the \$2.5 million net loss before tax in 2024.



The negative net profit margin recorded across the past four years reflects the combined effect of several structural and cyclical factors. On the one hand, ASFII's gross revenue improved due to **better plant utilization, stronger export demand, and improved product pricing**. On the other hand, these gains were offset by **high procurement costs, fluctuations in fish supply, labor and logistics expenses, and non-recurring charges** such as impairment losses and other finance-related costs. As a result, the company's profitability has remained under strain despite improvements in revenue growth. Going forward, ASFII will continue to pursue **margin improvement** through cost efficiency, supply chain optimization, by-product monetization, and more disciplined financial management.



Key Performance Indicator (US\$ '000)	2025	2024	2023	2022	2021
Direct economic value generated (revenue)	78,818	72,466	56,467	34,580	40,778
Normalized operating costs	6,060	5,466	4,234	3,167	5,087
Employee wages and benefits	1,995	1,853	1,511	1,328	1,612
Interest payments to loan provider	2,316	1,665	1,043	469	570
Investments to community (e.g., donations, CSR)	7	6	2	8	13



Community Support

The Company aims to achieve economic sustainability through the creation and equitable distribution of value among its stakeholders, who continue to guide its pursuit of growth and financial stability.

In 2025, consolidated revenue increased to US\$78.8 million, reflecting sustained demand for the Company's canned and pouch products, alongside ongoing efforts to enhance operational efficiency and market performance. This growth enabled the Company to generate and distribute greater economic value—supporting partners and suppliers through operating expenditures, employees through wages and benefits, and lenders through interest payments.

Beyond its core operations, ASFII continued to invest in the broader community through scholarships, partnerships with educational institutions, and environmental and social initiatives, reinforcing its commitment to shared value creation.

Responsible procurement & supplier management

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ALLIANCE SELECT FOODS
INTERNATIONAL, INC.



ASFII places strong importance on responsible procurement, recognizing that the quality, sustainability, and continuity of its raw materials directly impact the Group's operational resilience and market reputation. As a seafood processor, ASFII relies on a supplier base capable of consistently providing tuna and other marine inputs that meet stringent food safety, ethical sourcing, and sustainability standards. Accordingly, the Group implements a structured vendor screening and verification process prior to establishing supply relationships.

This process includes the assessment of supplier credentials, certifications, product traceability, labor practices, legal compliance, and delivery reliability. Procurement is undertaken through a cross-functional approach, in coordination with quality assurance, legal, and supply chain teams, to ensure that both technical and ethical requirements are met.

To sustain long-term partnerships, suppliers are expected to comply with the Company's procurement policies, adhere to established food safety and sustainability standards, undergo periodic audits, and demonstrate the ability to deliver consistent quality and supply. The Group further aligns its supplier management practices with applicable legal and regulatory requirements, particularly those relating to food safety, labor, environmental compliance, and ethical conduct.

Ethical and Social Responsibility



ASFII remains committed to maintaining a sustainable and responsible supply chain by sourcing from suppliers accredited by the Earth Island Institute and ensuring that no part of its supply network is linked to whaling operations, dolphin or shark fin fisheries, or the trade of whale or dolphin meat and shark fins. The Group also upholds the principles of the ILO Work in Fishing Convention (C188, 2007) by requiring suppliers to provide fishing crew manifests and to ensure that all crew members have written employment contracts, in a language they understand, clearly outlining terms of employment, wages, and working conditions.

Beyond ethical sourcing, ASFII prioritizes social responsibility across its operations and supply chain. The Company strictly prohibits sourcing from vessels engaged in exploitative labor practices, including wage withholding, coercion, or the imposition of guarantee deposits on crew members. It maintains a zero-tolerance policy for forced labor, bonded labor, child labor, and precarious employment.

ASFII further promotes safe and fair working conditions by requiring appropriate standards for workplace safety and welfare, including adequate lighting, noise control, sanitation, and access to sufficient food, potable water, and medical services. The Company also upholds principles of non-discrimination, freedom of association, accessible grievance mechanisms, fair remuneration, and compliance with prescribed working hours across both its workforce and supplier network.



Business Continuity & Resilience

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ASFII recognizes that long-term economic sustainability depends on its ability to withstand supply shocks, price volatility, and operational disruptions in the global tuna industry. In response, the Company has embedded business continuity and resilience measures into its economic strategy, with a focus on securing a stable supply of raw materials even under adverse conditions such as fish scarcity, regulatory fishing limits, and logistics disruptions.

From a supply perspective, ASFII's resilience strategy emphasizes maintaining a clear contingency approach to raw material sourcing. This includes diversifying supplier relationships across multiple geographies, working with certified and pre-qualified vendors, and avoiding over-reliance on any single fishing area or supplier. Should primary sources become constrained, alternative suppliers and sourcing routes can be activated to sustain production and meet customer commitments. Internally, procurement, production, and logistics teams are guided by established protocols that enable rapid adjustments to sourcing plans, product mix, and production schedules in response to disruptions.



Beyond sourcing, ASFII has implemented operational safeguards to support business continuity during unforeseen events. These include contingency procedures for critical equipment downtime, energy or utility interruptions, and transport bottlenecks. Scenario planning and risk assessments inform inventory strategies for key inputs, while close coordination among finance, operations, and commercial teams enables the Company to rebalance volumes, manage costs, and preserve liquidity under stress.

Together, these measures strengthen operational continuity, protect stakeholder value, and reinforce ASFII's commitment to remaining a reliable partner to customers, employees, and communities, even in challenging conditions. ASFII is committed to further enhancing these measures to ensure robust continuity in the face of operational and external risks.



Innovation & Digital Transformation

Innovation and R&D

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Innovation and digital transformation are integral to ASFII's approach to long-term sustainability, supporting more efficient, responsible, and resilient operations in a highly volatile industry. In 2025, the Company's innovation agenda reflects a practical response to key operational challenges, including rising input costs, supply constraints, and the need for stronger process discipline and control. The establishment of the Technical Services Department marks an important step in this direction, enhancing ASFII's capabilities in research, product development, laboratory support, and quality assurance.

These initiatives contribute to improved resource efficiency by reducing production defects, waste, and rework, while strengthening compliance with food safety and export standards. The integration of digital systems further enhances traceability, data accuracy, and internal controls, supporting responsible sourcing, transparency, and more informed decision-making across the value chain.

Over time, ASFII expects these efforts to enable more sustainable product innovation, optimize the use of raw materials and energy, and reduce unit costs. By embedding data-driven processes and continuous improvement into its operations, the Company is building a more adaptive and accountable business model—one that is better positioned to meet evolving stakeholder expectations and support long-term economic, environmental, and operational sustainability.



Customer Satisfaction & Retention

Customer Relationships

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Key Performance Indicator	2025	2024	2023	2022	2021
Customer Satisfaction	-	-	-	-	-
Did a third party conduct the study?	N	N	N	N	N
No. of substantiated customer complaints on product quality and workmanship	11	-	-	-	-
Export Clients	7	6	-	-	-
Local Clients	0	3	-	-	-
Fishmeal and Fish oil Clients	4	-	-	-	-
No. of complaints addressed	11	2	-	-	-

Health & Safety



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Key Performance Indicator	2025	2024	2023	2022	2021
No. of substantiated customer complaints on health and/or safety.	27	7	0	1	0
Export Clients	21	7	0	0	0
Local Clients	5	0	0	0	0
Fishmeal and Fish oil Clients	1	0	0	0	0
No. of complaints addressed	27	7	0	0	0

In 2025, the Group continued to deliver high-quality products through streamlined and well-controlled processes that comply with stringent sanitary and food safety standards. However, the Company recorded 27 substantiated customer complaints on health and safety, a notable increase from prior years (2024: 7; 2023: 0), largely driven by export clients.

The increase reflects enhanced traceability and reporting mechanisms, as well as stricter validation of customer feedback, enabling more accurate identification and classification of complaints. All reported cases were promptly investigated and 100% addressed within the reporting period, with corrective and preventive actions implemented to mitigate recurrence.

ASFII reinforces its commitment to consumer health and safety by embedding sanitation practices across all stages of food processing, supported by active participation from personnel throughout the organization. The Company continues to strengthen its protocols on labeling accuracy, sanitation, and compliance with Good Manufacturing Practices (GMP), while enhancing quality assurance systems to reduce the likelihood of contamination, microbial hazards, and other food safety risks.

Marketing, Packaging and Labeling

ASFII operates as a private label manufacturer of canned tuna, serving both institutional and retail markets through its toll manufacturing operations. In this capacity, labeling accuracy and product integrity are critical. The Company maintains robust controls to ensure that all products meet client specifications and comply with applicable regulatory requirements in export and domestic markets. This includes verification processes for labeling content, packaging quality, and product traceability, reinforcing ASFII's accountability to customers and end consumers.

Key Performance Indicator	2025	2024	2023	2022	2021
No. of substantiated customer complaints on marketing, packaging, and labeling	10	1	0	0	0
Export Clients	9	1	0	0	0
Local Clients	1	0	0	0	0
Fishmeal and Fish oil Clients	0	0	0	0	0
No. of complaints addressed	10	1	0	0	0

Throughout the year, the company maintained comprehensive traceability systems to accurately investigate and resolve any marketing or labeling-related incidents, supported by regular third-party audits and FDA inspections. Since 2021, ASFII has recorded zero substantiated complaints regarding marketing and labeling practices, reflecting the company's unwavering dedication to compliant product labeling that meets all FDA requirements and client specifications. These robust traceability measures continue to ensure that any potential labeling issues are promptly identified, documented, and effectively addressed through systematic audit processes.

Customer Privacy and Data Security

ASFII continues to leverage information systems, digital platforms, and emerging technologies to support its core operations, including internal communications, customer relationship management, and secure data storage. As part of its commitment to responsible business practices, the Company prioritizes the protection of stakeholder information from unauthorized access, data breaches, and other cybersecurity risks.

To safeguard data integrity and confidentiality, ASFII implements appropriate security controls, including access management, system monitoring, and data protection protocols. These measures are critical not only for maintaining trust among customers, suppliers, and partners, but also for ensuring the continuity and resilience of operations in an increasingly digitalized seafood processing environment.

ASFII remains committed to strengthening its data governance practices and continuously improving its cybersecurity posture in line with evolving risks and regulatory expectations.

Key Performance Indicator	2025	2024	2023	2022	2021
No. of substantiated complaints on customer privacy	0	0	0	0	0
No. of complaints addressed	0	0	0	0	0
No. of customers, users, and account holders whose information is used for secondary purposes	0	0	0	0	0
No. of data breaches, including leaks, thefts, and losses of data	0	0	0	0	0
No. of substantiated complaints on customer privacy	0	0	0	0	0



In compliance with
Republic Act No. 10173
and the standards of
**The Data Privacy Act
of 2012**

ASFII maintains full compliance with the Data Privacy Act of 2012 (Republic Act No. 10173), supported by comprehensive cybersecurity measures across its operations. The Company has designated **Atty. Gino Marco P. Bautista** as its registered Data Protection Officer (DPO), responsible for overseeing data privacy compliance, conducting privacy impact assessments, and serving as the primary point of contact with the National Privacy Commission (NPC) and data subjects.

In 2025, ASFII continued the annual review and strengthening of its Data Privacy Policy, which was originally finalized and disseminated to all employees in 2022. The policy establishes clear guidelines and protocols for data protection, including breach prevention, incident response, and resolution procedures, ensuring organizational readiness and alignment with regulatory requirements.



Local Sourcing / Economic Inclusion

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Local sourcing and economic inclusion reflect ASFII's role not only as a seafood processor, but also as a contributor to the economic development of its host communities. The Company defines local sourcing as the procurement of goods and services from suppliers, transport providers, contractors, and other business partners within its areas of operation, where feasible. Economic inclusion refers to ASFII's broader commitment to ensuring that local communities, workers, and small enterprises benefit from its presence through employment, procurement opportunities, capability-building, and community engagement.

This approach supports both operational resilience and inclusive growth. By engaging local suppliers and service providers, ASFII enhances supply chain reliability while contributing to livelihood generation and local economic activity. These engagements create multiplier effects within the community, supporting small and medium enterprises and strengthening regional value chains.

ASFII also promotes economic inclusion through direct employment, internship programs, training initiatives, and partnerships with local stakeholders. The Company seeks to build long-term, mutually beneficial relationships by providing fair commercial terms and supporting suppliers in meeting quality, food safety, and regulatory standards.

Through these efforts, ASFII aims to strengthen both business continuity and community well-being, contributing to more inclusive and sustainable economic development in the areas where it operates.





ENVIRONMENTAL STEWARDSHIP

Alliance Select Foods International, Inc. (ASFII) is committed to minimizing its environmental impact by integrating sustainable practices into its core operations, while ensuring compliance with applicable environmental regulations and promoting responsible resource management.

In 2025, ASFII focused on several key environmental priorities. These include improving energy efficiency through the integration of on-site solar power, strengthening wastewater treatment systems, maintaining compliance with air emission standards, and enhancing solid and hazardous waste management practices. The Company also advances sustainable sourcing by promoting environmental compliance among suppliers and supporting responsible fishing practices. Collectively, these initiatives reflect ASFII's efforts to align operational efficiency with environmental responsibility.

ASFII's environmental strategy comprises environmental monitoring, regulatory compliance, and reporting across all operational areas. The Company adheres to key Philippine environmental laws and standards, ensuring that its processes are aligned with regulatory requirements while mitigating environmental risks.

Beyond compliance, ASFII continues to pursue continuous improvement initiatives, including the expansion of renewable energy use, the development of water recycling systems, and the enhancement of greenhouse gas (GHG) emissions tracking and management. These efforts are aimed at strengthening the Company's environmental performance and supporting more data-driven decision-making.

Through these initiatives, ASFII is working toward a more proactive and structured approach to environmental sustainability. By addressing operational gaps and continuously improving its environmental management systems, the Company reinforces its commitment to responsible operations and the long-term protection of natural resources.

Energy Efficiency

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Alliance Select Foods International, Inc. (ASFII) continues to enhance its energy efficiency initiatives by integrating sustainable energy practices with operational improvements across its processing facilities. Given the energy-intensive nature of tuna processing, the company recognizes the importance of managing electricity consumption while maintaining productivity and product quality.

In 2025, ASFII recorded a total electricity consumption of 3,144,400 kWh, reflecting the significant energy requirements of its core operations, including refrigeration systems, cold storage, compressors, processing lines, and retort equipment. To address this demand, the company has adopted a more balanced energy mix through the use of on-site renewable energy, particularly solar power, which generated 336,781.19 kWh and was directly utilized in daily operations.

This integration of renewable energy demonstrates ASFII's efforts to gradually reduce dependence on grid electricity while improving overall energy efficiency. By sourcing part of its energy requirements internally, the company is able to manage operational costs more effectively and mitigate the environmental impact associated with conventional energy use.

In addition, ASFII continues to implement energy efficiency measures aimed at optimizing equipment performance and minimizing unnecessary energy consumption. These include the installation of LED lighting across production and office areas, regular preventive maintenance of boilers and compressors, and the gradual replacement of outdated machinery with more energy-efficient, inverter-type equipment.



Key Performance Indicator	2025	2024	2023
Renewable Energy	336,781.19 kWh	257,369 kWh	432,843 kWh
Gasoline (Non-Renewable)	No Data	No Data	No Data
LPG (Non-Renewable)	No Data	111.6 GJ	99 GJ
Diesel (Non-Renewable)	2388.75 GJ	2571.8 GJ	2,576.67 GJ
Electricity Consumption (from the grid)	3,144,400 kwh	2,744,000 kWh	2,077,600 kWh

Beyond technical upgrades, ASFII also promotes energy conservation practices at the operational level. Simple yet effective measures, such as switching off lights during break periods and regulating air-conditioning settings during working hours, contribute to reducing overall energy waste. These initiatives reflect a holistic approach to energy management, where both technological improvements and employee participation play a role in achieving efficiency targets.

Moving forward, ASFII acknowledges opportunities to further strengthen its energy performance through improved monitoring systems, expanded renewable energy capacity, and more comprehensive tracking of energy-related data. Through these efforts, the company reinforces its commitment to responsible energy use and continuous improvement in line with its sustainability objectives.

Cost-Effective Green Energy Initiatives

ASFII continues to strengthen its renewable energy integration through the use of on-site solar panels, which contribute directly to its daily operational energy requirements. In 2025, the company generated 336,781.19 kWh of solar energy, which was utilized to power key production systems such as refrigeration units, cold storage facilities, compressors, and processing equipment. This initiative plays a significant role in diversifying the company's energy sources by incorporating clean energy into its overall consumption of 3,144,400 kWh.

Beyond its environmental benefits, the integration of solar energy also supports operational cost efficiency. By reducing dependence on grid electricity, ASFII is able to manage energy expenses more effectively, particularly in energy-intensive processes. The direct use of solar power in production not only improves energy reliability but also enhances long-term sustainability by mitigating exposure to fluctuating electricity costs. While renewable energy currently represents a portion of total consumption, its continued use reflects ASFII's gradual transition toward a more sustainable and cost-efficient energy model.

Solar energy accounts for approximately 10.7% of ASFII's total electricity consumption in 2025, indicating a meaningful initial step toward renewable integration, with strong potential for expansion to further reduce both costs and environmental impact.



Solar panels at ASFII plant

Sustainable Fuel Alternatives and Climate Impact

ASFII's energy efficiency initiatives contribute to the reduction of greenhouse gas (GHG) emissions by lowering overall energy demand and decreasing reliance on conventional electricity sources. The integration of solar energy, together with energy-saving measures—such as LED lighting, preventive maintenance of boilers and compressors, and the adoption of inverter-type equipment—supports improved energy performance and reduced emissions intensity.

In parallel, ASFII promotes operational practices that reinforce energy conservation, including the regulation of air-conditioning usage and the shutdown of non-essential lighting during idle periods. While individually modest, these measures collectively contribute to minimizing unnecessary energy consumption and environmental impact.

Although ASFII has not yet disclosed quantified GHG emissions data or adopted alternative fuel sources for 2025, its current initiatives establish a strong foundation for future climate-related reporting and performance management. The Company recognizes the opportunity to further strengthen this area by developing formal GHG monitoring systems, enhancing emissions data collection, and exploring cleaner energy alternatives to complement its existing renewable energy efforts.

Through these steps, ASFII is positioning itself to transition toward more structured carbon management practices and to support long-term climate resilience and sustainability.

Key Performance Indicator	2025	2024	2023
Direct (Scope 1) GHG Emissions	19430 MT CO ₂ e	20445 MT CO ₂ e	11.5 MT/yr
Energy Indirect (Scope 2) GHG Emissions	1030 MT CO ₂ e	1098 MT CO ₂ e	N/A
Emissions of ozone-depleting substances (ODS)	19420 MT CO ₂ e	20435 MT CO ₂ e	N/A

With the availability of updated GHG emissions data, ASFII demonstrates a modest reduction in both direct (Scope 1) and energy indirect (Scope 2) emissions, reflecting improvements in operational efficiency and energy management. These results indicate a gradual shift toward lower emissions intensity, reinforcing the company's commitment to strengthening carbon tracking systems and implementing more structured emission reduction strategies in future reporting cycles.

Water Stewardship and Wastewater Management

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Alliance Select Foods International, Inc. (ASFII) recognizes water as a critical resource in its tuna processing operations and integrates responsible water stewardship into its broader environmental strategy. As a company directly dependent on marine resources, ASFII defines environmental responsibility as operating in full compliance with Philippine environmental laws while minimizing impacts across its production processes. This includes conserving water, ensuring proper wastewater treatment, and protecting surrounding ecosystems that support long-term business sustainability.

In 2025, ASFII recorded total water withdrawal and consumption of 1,035,859 cubic meters, driven by water-intensive processes such as raw fish washing, pre-cooking, sanitation, equipment sterilization, and cooling. The Company acknowledges the challenge of balancing high water demand with strict food safety requirements. To address this, ASFII implements water monitoring systems, conducts preventive maintenance of pipelines and valves, and optimizes cleaning schedules to improve efficiency while maintaining regulatory compliance.

ASFII operates a dedicated wastewater treatment facility utilizing a multi-stage process that includes screening, Dissolved Air Flotation (DAF), and biological treatment. These systems effectively remove suspended solids, oil and grease, and organic pollutants prior to discharge. The use of DAF technology reflects a relatively advanced treatment capability for fish processing operations, enhancing effluent quality and reducing risks to marine and freshwater ecosystems.



In 2025, a total of 142,584 cubic meters of treated wastewater was discharged, with quality monitored through regular sampling, laboratory analysis, and submission of Self-Monitoring Reports (SMRs) to the Department of Environment and Natural Resources – Environmental Management Bureau (DENR-EMB). All discharge parameters were maintained within allowable limits under the Philippine Clean Water Act (RA 9275), supported by structured compliance and monitoring systems.

While wastewater recycling and reuse are not yet implemented, current practices reflect strong regulatory compliance. ASFII recognizes opportunities to further strengthen its water stewardship by transitioning toward water reuse strategies. With wastewater discharge representing approximately 13.8% of total water consumption, the Company sees potential to recover and reuse treated water to reduce overall withdrawal.

Looking ahead, ASFII is exploring water conservation initiatives such as rainwater harvesting and greywater recycling. These measures aim to reduce dependence on freshwater sources, improve operational efficiency, and align the Company more closely with global best practices in sustainable water management.

Sustainable Sourcing & Marine Conservation

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ASFII continues to integrate responsible seafood sourcing into its procurement and supply chain practices, recognizing that long-term business sustainability depends on the health of marine ecosystems. The Company prioritizes sourcing from responsibly managed fisheries and aligns its procurement approach with internationally recognized sustainability standards.

ASFII works with suppliers that demonstrate compliance with established certifications and responsible sourcing frameworks, including Marine Stewardship Council (MSC), Dolphin Safe, and Friend of the Sea standards. Additional practices include FAD-free sourcing and the use of vessels listed in the Philippine Vessel Registry. These certifications provide independent verification that seafood is sourced from fisheries meeting defined environmental and sustainability criteria, supported by traceability systems across the supply chain.

To strengthen transparency and accountability, ASFII utilizes integrated warehousing systems, digital platforms, and enterprise resource planning (ERP) tools to support end-to-end traceability—from catch to finished product. This enables the Company to verify sourcing claims and maintain visibility across its supply chain.

ASFII also enforces strict policies prohibiting harmful fishing practices, including whaling operations, dolphin drive fisheries, and shark finning. The Company does not engage in the trade of whale or dolphin meat, sea turtle products, or shark fins. These policies reinforce ASFII's alignment with ethical sourcing standards and marine conservation objectives.

Through collaboration with certified fisheries and responsible sourcing programs, ASFII supports sustainable fishing practices and contributes to minimizing bycatch. These efforts demonstrate the Company's commitment to maintaining traceable, responsibly sourced seafood while supporting the long-term sustainability of marine ecosystems.



Material Recycling and Resource Efficiency

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ASFII operates as a private label manufacturer of canned tuna, serving both institutional and retail markets through its toll manufacturing operations. In this capacity, labeling accuracy and product integrity are critical. The Company maintains robust controls to ensure that all products meet client specifications and comply with applicable regulatory requirements in export and domestic markets. This includes verification processes for labeling content, packaging quality, and product traceability, reinforcing ASFII's accountability to customers and end consumers.

Throughout the year, ASFII maintained comprehensive traceability systems that enable the accurate investigation and resolution of any marketing- or labeling-related incidents. These systems are supported by regular third-party audits and regulatory inspections, including those conducted by the U.S. Food and Drug Administration (FDA). Since 2021, the Company has recorded zero substantiated complaints related to marketing and labeling practices, underscoring its consistent adherence to regulatory requirements and client specifications.

These traceability measures ensure that any potential issues are promptly identified, documented, and addressed through structured audit and corrective action processes.



Key Performance Indicator	2025	2024	2023
Renewable	N/A	N/A	N/A
Non-renewable	N/A	N/A	N/A
Percentage of recycled input materials used to manufacture primary products and services:			
Cans	5%	5%	5%
Paper (Paper labels, cartons)	10%	10%	10%
Plastics (Shrink films, raw materials, packaging)	20%	20%	20%
Bottles (Laboratory chemicals)	20%	20%	20%
Fish by-products (Fish meal, fish oil)	35%	35%	35%

Biodiversity and Habitat Conservation

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Alliance Select Foods International, Inc. (ASFII) recognizes the importance of biodiversity and habitat conservation in sustaining the marine and coastal ecosystems that support its operations. The Company maintains four operational sites located near protected areas or areas of high biodiversity value and supported habitat protection and restoration initiatives, including the maintenance of approximately 0.3949 hectares of protected or restored habitats.

ASFII's operations are closely linked to coastal and marine environments, including mangrove ecosystems, coastal foreshore areas, and adjacent marine habitats. The Company considers potential biodiversity impacts as part of its environmental management systems and regulatory compliance processes.



Key Performance Indicator	2025	2024	2023
Operational sites owned, leased, managed, in or adjacent to protected areas and areas of high biodiversity value outside protected areas	0.3949 ha	0.3949 ha	0.3949 ha
Habitats protected or restored	4	4	4
IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A	N/A	N/A

Biodiversity-Sensitive Areas

ASFII operates in or near ecologically sensitive environments, including mangroves, coastal foreshore zones, and marine habitats. These areas are incorporated into environmental management and compliance activities. The Company continues to recognize these locations as environmentally significant and subject to responsible management practices.

Biodiversity Monitoring and Protected Species

ASFII conducts biodiversity-related monitoring through its environmental compliance programs, conservation initiatives, and coastal environmental activities. Species considerations are guided by recognized references such as the International Union for Conservation of Nature (IUCN) Red List and applicable national conservation regulations.

Habitat Restoration and Conservation Initiatives

The Company continues to implement habitat restoration and conservation activities, including mangrove planting and coastal clean-up programs. These initiatives are carried out regularly as part of ASFII's environmental stewardship efforts.

While these programs contribute to ecosystem protection and rehabilitation, consolidated data on total area restored, survival rates, and other measurable outcomes for 2025 are not yet available. ASFII is working to enhance data tracking and reporting in this area.

Partnerships and Community Engagement

ASFII collaborates with local government units (LGUs), environmental agencies, and community organizations in implementing environmental protection and conservation initiatives. These partnerships support community participation and strengthen the impact of biodiversity-related programs.

Outlook

ASFII acknowledges the opportunity to strengthen its biodiversity management by improving data collection systems, establishing measurable indicators, and enhancing monitoring of ecosystem impacts. Moving forward, the Company aims to develop more structured biodiversity reporting and expand conservation initiatives to better support long-term ecosystem health and sustainability.

Air Emission and Pollution Control

AIR EMISSION AND POLLUTANT DATA

KEY PERFORMANCE INDICATOR	2025	2024	2023
NOx	71 mg/Ncm	182 mg/Ncm	152 kg
SOx	174 mg/Ncm	163 mg/Ncm	664 kg
Persistent organic pollutants (POPs)	N/A	N/A	N/A
Volatile organic compounds (VOCs)	N/A	N/A	N/A
Hazardous air pollutants (HAPs)	N/A	N/A	292 kg
Particulate Matter (PM)	40 mg/Ncm	35 mg/Ncm	141 kg
Carbon Monoxide (CO) Emission	7 mg/Ncm	No data	No data

ASFII collaborates with local government units (LGUs), environmental agencies, and community organizations in implementing environmental protection and conservation initiatives. These partnerships support community participation and strengthen the impact of biodiversity-related programs.

ASFII manages air emissions through a combination of operational controls, regulatory compliance measures, and continuous monitoring systems. Emissions from boilers and generators are minimized through preventive maintenance, combustion optimization, and periodic source emission testing conducted by DENR-accredited laboratories. The Company also enforces fuel quality standards by requiring suppliers to provide fuel analysis certificates to ensure low sulfur and ash content. These measures support compliance with applicable environmental regulations and contribute to reducing overall emissions intensity.

From 2023 to 2024, emissions performance remained within regulatory limits, with consistent monitoring of key pollutants such as nitrogen oxides (NO_x), sulfur oxides (SO_x), hazardous air pollutants (HAPs), and particulate matter (PM). No significant exceedances or reportable levels of persistent organic pollutants (POPs) and volatile organic compounds (VOCs) were recorded.

In 2025, stack emission testing results confirmed continued compliance. Measured concentrations were 71 mg/Ncm for NO_x, 174 mg/Ncm for SO_x, and 40 mg/Ncm for particulate matter, indicating effective control of combustion-related emissions and improvements in operational efficiency and pollution control practices. ASFII continues to explore opportunities to further reduce emissions, including the potential adoption of alternative fuels such as biogas for boiler operations, as part of its long-term decarbonization strategy.

Air Quality Tracking and Regulatory Adherence

ASFII ensures compliance with air quality regulations through structured monitoring and reporting systems. The Company conducts periodic stack emission testing through DENR-accredited laboratories and submits required reports to the Environmental Management Bureau (EMB) in accordance with the Philippine Clean Air Act.

Preventive maintenance, equipment calibration, and monitoring of fuel quality and combustion efficiency are implemented to support optimal operations and minimize emissions. Historical performance indicates consistent compliance, with no significant exceedances recorded.



Enhanced Pollution Management Strategies

ASFII implements a range of operational controls and technologies to manage and reduce emissions associated with fuel combustion processes. These include:

- Installation of scrubbers on smokestacks to reduce pollutant release
- Use of economizers and flue gas recirculation systems to improve boiler efficiency
- Operation of a closed-system fish meal processing plant to minimize emissions
- Preventive maintenance and periodic calibration of boilers
- Fuel management and optimization to reduce emission intensity
- Maintenance of installed pollution control systems

These measures contribute to improved air quality performance and reduced environmental impact.



Independent Emission Assessments and Carbon Reduction

ASFII engages accredited third-party laboratories to conduct stack emission testing and, where applicable, environmental audits. These independent assessments ensure the accuracy and reliability of emissions data, confirm regulatory compliance, and support alignment with international customer and reporting requirements.

In parallel, ASFII implements greenhouse gas (GHG) reduction initiatives, including the integration of solar energy, replacement of legacy equipment with energy-efficient alternatives, and preventive maintenance programs. These efforts contribute to lowering indirect emissions and improving overall emissions intensity.



Supplier Environmental Compliance and Emission Oversight

ASFII extends its environmental standards across the value chain by incorporating compliance requirements into supplier management processes.

These include:

- Verification of supplier environmental permits and certifications
- Inclusion of environmental compliance provisions in contracts
- Periodic supplier evaluation and documentation review
- Promotion of responsible and sustainable sourcing practices

This approach supports consistency in environmental performance across upstream operations.

Transition to Low-Emission Mobility

ASFII recognizes the importance of addressing emissions beyond stationary sources by improving logistics and transportation practices. As part of its carbon reduction efforts, the Company has initiated a gradual transition to a low-emission fleet, including the replacement of one diesel-powered forklift with an electric unit each year.

ASFII continues to explore opportunities for adopting cleaner transportation solutions and alternative fuels, supporting its long-term strategy to reduce emissions and strengthen overall environmental performance.

Outlook

ASFII is well-positioned to further enhance its air emissions management through continued investment in cleaner technologies, alternative fuels, and more comprehensive emissions tracking systems. These efforts support the Company's transition toward more structured carbon management and long-term environmental sustainability.

Solid Waste Management and Reduction Initiatives

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KEY PERFORMANCE INDICATOR	2025	2024	2023
Total Solid Waste Generated	19.22 MT	20.3 MT	20.6 MT
Reusable	N/A	N/A	7.2 MT
Recyclable	6.16 MT	6.6 MT	6.9 MT
Composed/ Biodegradable	7.23 MT	7.1 MT	0.5 MT
Incinerated	N/A	N/A	N/A
Residual / Landfilled	6.53 MT	6.6 MT	6 MT

ASFII continues to strengthen its waste management practices to minimize environmental impact and promote sustainable resource use. In 2025, the Company generated a total of 19.22 metric tons (MT) of solid waste, comprising 6.16 MT of recyclables, 7.23 MT of biodegradable waste, and 6.53 MT of residual waste. No waste was incinerated during the reporting period, reflecting ASFII's commitment to responsible waste handling and disposal practices.

Waste segregation is strictly implemented across all facilities, with clearly designated bins for infectious, biodegradable, non-biodegradable, and recyclable materials. These systems support improved waste recovery, regulatory compliance, and environmental performance.

To further reduce environmental impact, ASFII continues to donate reusable materials—such as rejected cans, cartons, plastics, and wooden pallets—to local communities. These materials are repurposed for environmental and livelihood initiatives, including tree planting and small-scale community enterprises, demonstrating the Company's integrated approach to sustainability and social value creation.

Minimizing Plastic Use in Operations and Packaging

ASFII continues to reduce plastic usage across its operations and packaging systems. In 2025, the Company expanded its use of biodegradable materials, including the replacement of shrink plastics with carton sleeves. Operational improvements aimed at minimizing product defects also contribute to reducing unnecessary waste generation.

At the employee level, the Company promotes the use of reusable containers and has largely replaced plastic utensils with durable stainless steel alternatives. These efforts, combined with strict waste segregation practices, reinforce ASFII's commitment to reducing single-use plastics while maintaining operational efficiency and food safety standards.

Maximizing Value from Fish By-Products

ASFII advances circular economy practices by maximizing the utilization of fish by-products. In 2025, fish oil is extracted for pharmaceutical applications, while fish scraps are processed into fish meal for animal feed. Red meat is repurposed for both human and pet consumption, and salmon skin is processed into snack products such as cracklings.

Additional by-products, including fish artery bulbs, are recovered for cosmetic use. The Company is also exploring the extraction of fish solubles from internal organs and processing drains to further enhance resource recovery.

These initiatives reduce waste generation while increasing value creation from each unit of raw material processed.

Community Benefits from Waste Management

ASFII's waste management practices continue to generate social and environmental benefits for local communities. Reusable materials—such as wooden pallets, scrap cans, plastics, and containers—are donated to schools and community groups for livelihood projects and environmental programs.

Items such as IBC tanks are repurposed for water storage, while metal drums are used for rainwater collection. These initiatives reduce landfill waste while promoting recycling awareness, supporting community resilience, and strengthening stakeholder relationships.

Enhancing Recycling and Reducing Landfill Impact

ASFII continues to implement strategies to minimize landfill waste and enhance recycling across its operations. The Company utilizes plastic pallets and slip sheets in place of traditional wooden pallets to reduce material waste. Recyclable materials—including tins, cartons, stretch wraps, and other by-products—are baled and sold to accredited recycling facilities.

Wood scraps and other reusable materials are also donated for community use, such as firewood or tree guards. These measures, combined with strict waste segregation and responsible supplier practices, contribute to reducing ASFII's environmental footprint.

Challenges and Pathway to Zero-Waste Operations

Despite continued progress, ASFII faces challenges in achieving zero-waste operations. Limited availability of recycling facilities constrains the full recovery of all waste streams. Variability in raw material specifications, including differences in fish size, can lead to additional waste generation.

Operational requirements—such as high water and energy use and strict food safety standards—also present constraints to further waste reduction. These challenges highlight opportunities for continued process optimization, infrastructure investment, and deeper collaboration with suppliers and communities.

Outlook

ASFII remains committed to advancing its waste management systems by strengthening recycling capabilities, expanding circular economy initiatives, and improving data tracking and reporting. Through continuous improvement and stakeholder engagement, the Company aims to move closer to zero-waste operations while enhancing both environmental and social outcomes.



Key Performance Indicator (MT)	2025	2024	2023
Total Weight of hazardous waste generated	3.2176	0.019	0
D406 (Batteries)	1.046	0.004	0.004
D407 (Bulbs)	0.8416	0.004	0.004
I101 (Used oils)	1.33	0.011	0.011
Total Weight of hazardous waste transported		0.019	No data
D406 (Batteries)	0.004	0.004	0.004
D407 (Bulbs)	0.004	0.004	0.004
I101 (Used oil)	0.011	0.011	0.011

Hazardous Waste Generation and Management

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Alliance Select Foods International, Inc. (ASFII) continues to implement material recycling and resource efficiency initiatives across its operations in line with waste reduction and circular economy principles. These initiatives aim to minimize waste generation, improve material recovery, and reduce dependence on landfill disposal while maintaining compliance with environmental regulations. Resource efficiency efforts are focused on maximizing the value derived from materials generated during tuna processing operations. ASFII continues to implement strict hazardous waste management protocols to ensure compliance with environmental regulations. In 2025, the total weight of hazardous waste generated reached 3.2176 MT, reflecting an increase compared to previous years. The breakdown includes 1.046 MT of D406 (batteries), 0.8416 MT of D407 (bulbs), and 1.33 MT of I101 (used oil).

All hazardous waste is managed in accordance with Republic Act 6969, which governs the storage, transport, and disposal of hazardous materials in the Philippines. These materials are handled responsibly to minimize environmental risks and ensure proper treatment and disposal. Waste is transferred to authorized treatment, storage, and disposal facilities through accredited waste handlers.

ASFII ensures that all generated waste follows proper compliance procedures from handling to final disposal. The company maintains strict documentation and monitoring practices to support regulatory reporting and environmental accountability.

Compliance with Environmental Laws and Regulations

307-1

Alliance Select Foods International, Inc. (ASFII) complies with environmental reporting and permitting requirements through the regular submission of Self-Monitoring Reports (SMRs) and Compliance Monitoring Reports (CMRs), in accordance with regulatory guidelines. Environmental permits, including Environmental Compliance Certificates (ECCs), are maintained and renewed as required.

Environmental compliance is supported by internal governance structures, including oversight by management and the environmental compliance team. Monitoring data from emissions testing, wastewater analysis, and regulatory reporting are reviewed periodically to ensure adherence to standards and to support coordination with the Department of Environment and Natural Resources – Environmental Management Bureau (DENR-EMB). These processes strengthen accountability and ensure that compliance obligations are consistently met.

PEOPLE DEVELOPMENT

Employees

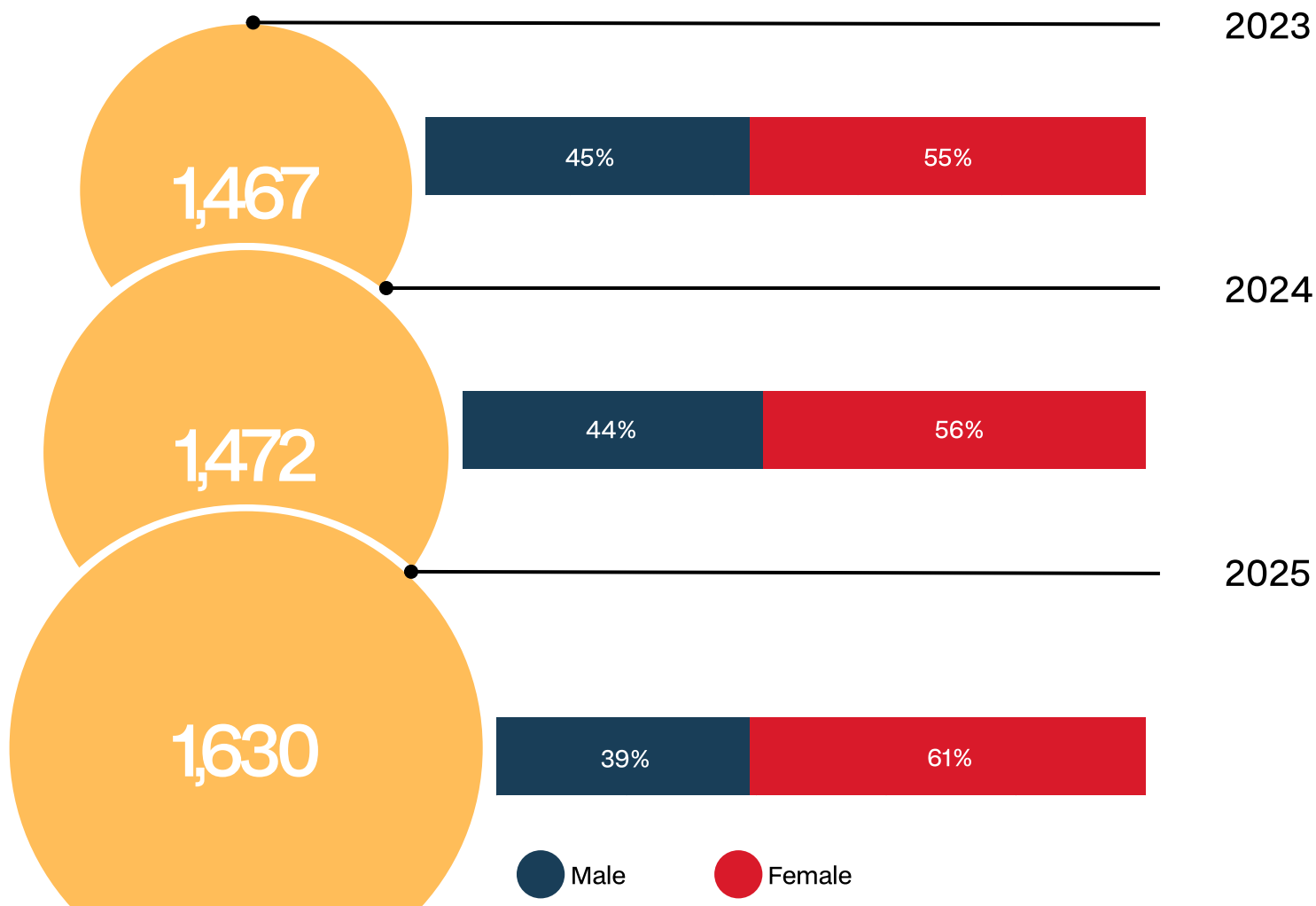
Diversity and Inclusion 2-7 3-3 401-1 405-1

ASFII promotes diversity, equity, and inclusion by providing employment opportunities across a broad range of gender, cultural, and social groups. The Company's workforce includes individuals from Muslim and Indigenous communities, reflecting its commitment to inclusive hiring practices that extend beyond considerations of ethnicity, religion, and gender. This approach supports broader local economic participation and contributes to inclusive growth in the communities where ASFII operates.

To ensure that diversity is meaningfully supported, ASFII upholds merit-based hiring and promotion systems, where decisions are grounded in qualifications, performance, and capability. The Company enforces strict non-discrimination policies and maintains a professional work environment that respects the rights and dignity of all employees.

ASFII also provides accessible grievance mechanisms that allow employees to raise concerns in a structured and confidential manner. These systems support transparency, accountability, and the fair resolution of workplace issues.

At the leadership level, diversity is reflected across supervisory and managerial roles, indicating that opportunities for career advancement are open and accessible to employees regardless of background. This demonstrates ASFII's commitment to fostering an inclusive workplace where talent development and progression are based on merit and equal opportunity.



(by gender) Workforce

ASFII defines employees as...



Leadership, Talent Development, and Engagement

3-3 404-1 404-2 404-3

ASFII invests in employee development as a key driver of organizational capability, workforce resilience, and long-term business sustainability. The Company recognizes that continuous learning and skills development are essential to maintaining operational efficiency and preparing employees for evolving industry demands.

Training programs are implemented across all levels of the organization. These include technical training aligned with employees' functional roles, as well as safety and compliance instruction to support responsible operations. ASFII also emphasizes the development of soft skills, such as communication, teamwork, and problem-solving, to strengthen collaboration and workplace effectiveness. More advanced training initiatives focus on leadership development, strategic thinking, and digital competencies, enabling employees to take on greater responsibilities and contribute to the Company's growth.

Leadership development is further supported through mentoring and coaching programs, where experienced employees provide guidance to newer staff. The Management Trainee Program offers structured, cross-functional exposure, allowing participants to develop both technical expertise and leadership capabilities. These programs help build a pipeline of future leaders and support internal talent progression.

In addition, ASFII promotes employee engagement through activities that foster collaboration, strengthen workplace relationships, and encourage a positive organizational culture. These initiatives contribute to a more motivated and cohesive workforce, reinforcing accountability, teamwork, and shared commitment to the Company's goals.

Through these efforts, ASFII aims to cultivate a skilled, engaged, and future-ready workforce that supports both individual development and organizational success.

Security, Health, and Safety

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ASFII operates in a production environment where employees may be exposed to physical and operational risks. To address these, the Company has established a structured Occupational Health and Safety (OHS) management system integrated into daily operations, in compliance with Republic Act No. 11058 and the standards of the Department of Labor and Employment (DOLE).

Employees undergo safety orientations and participate in regular toolbox meetings, where task-specific risks are discussed prior to the start of work. These sessions reinforce hazard awareness and ensure that employees understand proper procedures and control measures.

Workplace risks are identified through routine inspections and hazard assessments. Once identified, risks are managed through a hierarchy of controls, including engineering solutions, administrative procedures, and the mandatory use of personal protective equipment (PPE). In the event of workplace incidents, ASFII follows a standardized process involving immediate reporting, root cause analysis, and the implementation of corrective and preventive actions. This systematic approach supports continuous improvement in safety performance and reduces the likelihood of recurrence.

ASFII adopts a preventive approach to managing occupational and process risks. Job Hazard Analysis (JHA) is conducted prior to task execution to identify potential hazards and implement appropriate safeguards. Preventive maintenance programs are in place to minimize equipment failure, while lockout-tagout procedures are enforced for high-risk activities to ensure machinery is safely deactivated during servicing.

The Company also implements safe work permit systems and strict protocols for handling hazardous materials. Common workplace risks—such as slips, equipment-related hazards, ergonomic strain, and electrical exposure—are addressed through a combination of training, workplace design improvements, and ongoing monitoring.

Workplace incidents are tracked through ASFII's STOP program, an online reporting platform that enables employees, contractors, and visitors to report accidents, near-misses, and unsafe conditions in real time. This system enhances transparency and supports proactive risk management by ensuring that incidents are promptly documented, investigated, and resolved.

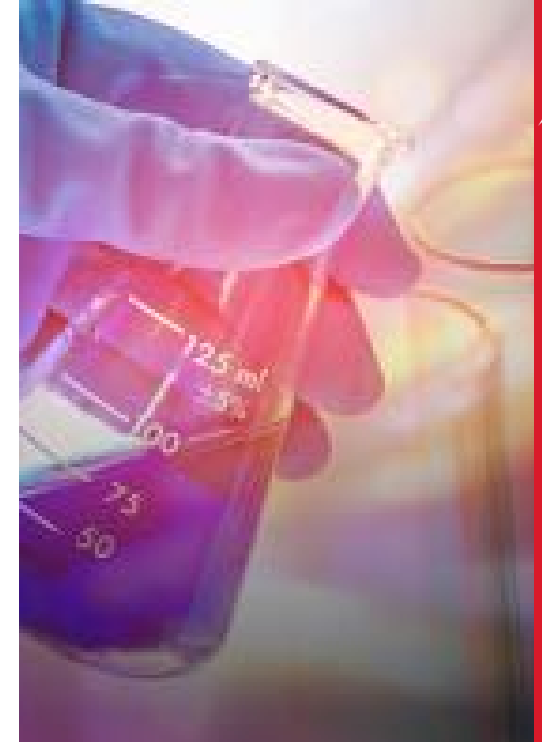
ASFII monitors its safety performance using key indicators such as the Lost Time Injury Rate (LTIR), which measures the frequency of work-related incidents resulting in lost workdays. These metrics enable the Company to assess the effectiveness of its OHS programs and guide continuous improvement efforts.

In compliance with
Republic Act No. 11058
and the standards of
**Department of Labor
and Employment
(DOLE)**

Safe work permit systems and proper handling protocols for hazardous materials are also enforced. These measures ensure that safety considerations are embedded into daily operations, as common workplace hazards include slips, equipment-related risks, ergonomic strain, and electrical exposure; and these are addressed through a combination of training, workplace design improvements, and continuous monitoring. Workplace incidents are systematically monitored through the Company's STOP program, an online reporting platform that enables employees, contractors, and visitors to promptly report accidents, near-misses, and unsafe conditions.

	2025	2024	2023
Incidents reported	0	0	0
Incidents addressed	0	0	0
Workforce Using STOP	34	29	24

The real-time reporting mechanism strengthens transparency and supports proactive risk management by ensuring that incidents are immediately documented, investigated, and addressed. ASFII also tracks its safety performance using the Lost Time Injury Rate (LTIR), a key occupational health and safety metric that measures the frequency of work-related incidents resulting in lost workdays.





ASFII maintains compliance with applicable labor laws and promotes ethical labor practices across its operations. The Company is committed to providing fair compensation, safe and appropriate working conditions, and access to employee benefits, including government-mandated benefits, health maintenance coverage, and paid leave such as sick and vacation leave.

ASFII enforces strict policies prohibiting child labor and forced labor, and upholds non-discrimination in all aspects of employment. These principles are embedded in the Company's policies and operational practices, ensuring that all employees are treated with dignity and respect. Employees are also provided with channels to engage in dialogue with management, supporting open communication and constructive labor relations.

Within its supply chain, ASFII integrates human rights and labor standards into its supplier management processes. The Company conducts audits aligned with recognized standards to assess compliance with labor, human rights, and ethical business practices. These audits help identify potential risks and gaps, ensuring that suppliers and contractors adhere to established requirements.

Where issues are identified, ASFII implements corrective action plans and follows through on remediation measures. This approach reinforces accountability across the value chain and supports continuous improvement in labor and human rights performance.

Labor Practices

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Community

ASFII demonstrates a strong commitment to community engagement and development through the implementation of programs that address environmental sustainability, social welfare, and education. The Company actively collaborates with local communities, government units, and other organizations to deliver initiatives such as environmental conservation activities, nutritional support programs, and educational assistance. These efforts are supported by employee volunteerism and structured partnerships that enable ASFII to extend its impact beyond its operations.

Climate Action

Tree Planting

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ASFII, through its employee cooperative AEMCO, undertakes environmental initiatives that contribute to ecological sustainability while strengthening community engagement. One such initiative is a tree planting activity conducted in partnership with the Polomolok Local Government Unit (LGU) and the Cooperative Development Authority (CDA).

On December 14, 2025, employees actively participated in a tree planting activity in Barangay Maligo, Polomolok, South Cotabato—an area identified as underutilized or sparsely vegetated.

The initiative aims to support reforestation, improve local air quality, and contribute to biodiversity conservation.

By directly involving employees, ASFII fosters a stronger sense of environmental responsibility within its workforce while addressing broader environmental needs in the community. The activity also serves as a platform for collaboration among ASFII, local authorities, and community stakeholders, reinforcing shared accountability for environmental stewardship.

Through initiatives such as this, ASFII demonstrates its approach to sustainability as both participatory and community-oriented—integrating environmental action with employee engagement to create meaningful and lasting impact.



Trees Planted
100





Coastal Cleanup

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ASFII conducts regular coastal clean-up activities in collaboration with employees and partner contractors as part of its commitment to environmental stewardship. These activities are carried out twice a year, typically in March and September, and focus on removing waste and pollutants from coastal areas to help preserve marine ecosystems.

The initiative is carefully planned to ensure proper coordination, participant safety, and responsible waste management. Employees and contractors are mobilized to collect and segregate debris, with particular emphasis on plastics and other non-biodegradable materials that pose significant risks to marine life.



Beyond its environmental impact, the activity fosters collaboration between ASFII and its contractors while promoting environmental awareness and shared responsibility among participants. It also reinforces the Company's role as a responsible stakeholder in protecting coastal and marine resources that are directly linked to its operations.

Through these efforts, ASFII contributes to the reduction of marine pollution and supports the long-term sustainability of ecosystems critical to both the environment and the seafood industry.

Hunger Alleviation

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Employee participation plays a key role in the implementation of these initiatives. By directly engaging with beneficiaries, employees gain a deeper understanding of community needs, fostering empathy and strengthening ASFII's connection with the communities it serves. Through these efforts, ASFII contributes to improved student welfare while reinforcing its commitment to inclusive community development and social responsibility.

ASFII conducts feeding programs as part of its efforts to support the nutritional needs of students in underserved communities. These initiatives are implemented in coordination with local schools and are often integrated with educational support activities to ensure that assistance reaches intended beneficiaries effectively.

Through the provision of meals, the Company helps address short-term nutritional gaps that may affect students' ability to focus, learn, and participate actively in school. The program is designed not only as a one-time intervention but as a supportive measure that complements broader efforts to improve access to education and student well-being.



Community Education

School Supplies Distribution

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ASFII supports educational development by distributing school supplies to students in local communities, including beneficiaries from Ondok Gawan Elementary School in Upper Makar Bridge, General Santos City. This initiative is aligned with the Department of Education's annual Brigada Eskwela program and is implemented in coordination with partner schools and community stakeholders to ensure that assistance reaches the intended beneficiaries.

The program provides essential learning materials such as notebooks, writing supplies, and school bags, helping students prepare for the academic year. By easing the financial burden on families, ASFII contributes to improved school readiness and encourages sustained student participation in education.

This initiative reflects the Company's recognition of education as a key driver of long-term community development. Beyond internal workforce development, ASFII extends its support to future generations, helping create opportunities for learning, growth, and social mobility within the communities where it operates.

Supply Kits Distributed

80



Student Beneficiaries

Employees Participated





2025 KPI
Scholarships Granted
5

ASFII’s scholarship program represents a long-term investment in community development, with a focus on supporting students pursuing fields relevant to the Company’s operations. Implemented in partnership with Mindanao State University – General Santos (MSU-Gensan), the program provides financial assistance to selected students, enabling them to pursue higher education in specialized disciplines. By prioritizing fields such as fisheries and engineering, ASFII aligns its educational support with industry needs, contributing to the development of a skilled talent pipeline that may support both the Company and the broader seafood sector in the future.

This initiative reflects a more strategic dimension of ASFII’s community engagement efforts, where social investment is closely linked to capacity building and sustainability. Beyond financial support, the program strengthens collaboration between the Company and academic institutions, creating opportunities for knowledge exchange, talent development, and potential future employment pathways. Through this program, ASFII reinforces its role as a partner in community growth—supporting not only immediate educational needs but also long-term opportunities for professional advancement and economic participation.

Scholarship Program

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Career Readiness

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ASFII provides students, both senior high school and college, with opportunities for immersion and on-the-job training as part of its contribution to education and workforce readiness. These programs allow students to gain practical experience by observing and participating in real workplace environments across different departments such as those senior high school students from Bawing National High School. Participants are assigned to functional areas aligned with their academic tracks, where they are guided by employees and exposed to industry practices.

This experience helps bridge the gap between theoretical learning and practical application; therefore, enabling students to develop relevant skills and gain confidence in a professional setting. The initiative also benefits ASFII by fostering early engagement with potential future employees. By providing exposure to its operations, the Company helps shape the understanding of students of industry standards and workplace expectations.



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ETHICAL GOVERNANCE & ACCOUNTABILITY

Governance Framework and Structure

Board Composition and Leadership Structure



The Company is governed by a Board of Directors composed of executive, non-executive, and independent directors, ensuring a balance of authority, accountability, and independent judgment. For the 2025–2026 term, the Board is composed of 7 members, 3 of which are independent directors.



Mr. Lorenzo Sixto T. Lichauco - *Chairman*

Atty. Gabriel A. Dee - *Vice Chairman*

Mr. Jeoffrey P. Yulo

Mr. Dobbin A. Tan

Mr. Domingo C. Go - *Lead Independent Director*

Mr. Fernando L. Gaspar - *Independent Director*

Mr. Raymund A. Sanchez - *Independent Director*

Board Diversity and Competency

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ASFII recognizes that diversity within its Board of Directors is essential to effective oversight, balanced decision-making, and strong corporate governance. The Board is composed of individuals with diverse professional backgrounds, bringing together expertise in finance, law, corporate governance, business management, operations, and leadership across various industries. This diversity enables the Board to approach strategic and governance matters from multiple perspectives, enhancing the quality and depth of its deliberations.

Board members possess extensive experience in both local and international organizations. Several directors have held senior executive positions in multinational corporations and financial institutions, while others contribute deep expertise in legal practice, corporate governance, and regulatory compliance. The presence of legal professionals and corporate secretaries supports ASFII's adherence to regulatory requirements, while directors with backgrounds in finance and investment provide critical insights into financial oversight and risk management.

Gender	Number of Directors (7)	Percentage
Male	7	100%
Female	0	0%

Gender Diversity of the Board of Directors.



Age Group	Number of Directors (7)	Percentage
50 to 59	2	28.60%
60 to 69	4	57.10%
70 and above	1	14.30%

Age Distribution of the Board of Directors.

In addition, directors with operational and leadership experience in consumer goods, manufacturing, and consulting strengthen the Board’s ability to address industry-specific challenges and opportunities. This combination of skills and perspectives enables the Board to exercise independent judgment and effectively fulfill its fiduciary responsibilities.

ASFII ensures that the composition of its Board remains aligned with the Company’s evolving business needs, maintaining the appropriate mix of competencies to oversee strategy, risk, and performance. By fostering a diverse and capable Board, ASFII reinforces its governance framework and supports long-term, sustainable value creation.

Nomination and Election Of Directors

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ASFII adopts a structured, transparent, and merit-based process for the nomination and election of members of its Board of Directors, consistent with the principles of fairness, accountability, and transparency under the Securities and Exchange Commission (SEC) Code of Corporate Governance for Publicly-Listed Companies and the rules of the Philippine Stock Exchange (PSE).

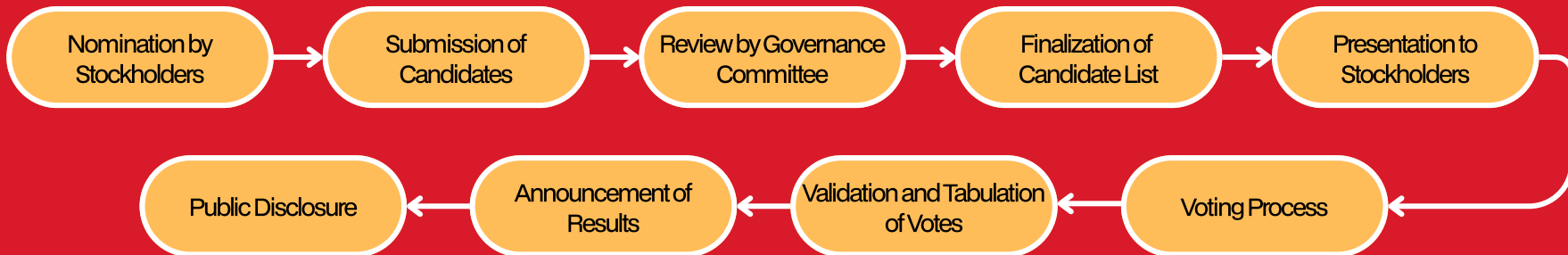
The nomination process begins with stockholders of record, who are entitled to nominate candidates for election to the Board in accordance with the Corporation's By-Laws and applicable regulatory requirements. All nominations are submitted to the Corporate Governance Committee for evaluation.

The Corporate Governance Committee is responsible for assessing the qualifications of all nominees, including their integrity, competence, experience, independence, and ability to devote sufficient time to Board responsibilities. In particular, nominees for independent directorships are evaluated in accordance with the independence criteria prescribed under the SEC Code. The Committee ensures that the final slate of candidates reflects an appropriate balance of skills, experience, and independence, aligned with the Company's strategic direction and governance needs.

The list of qualified nominees is included in the Information Statement and presented to stockholders during the Annual Stockholders' Meeting (ASM). Stockholders are afforded the right to vote in person, by proxy, or through electronic means, in line with regulatory guidelines and to promote wider shareholder participation.

The election results are validated and tabulated by an independent party or designated committee to ensure the integrity and accuracy of the voting process. The results are then formally announced during the meeting and promptly disclosed to the Philippine Stock Exchange and the Securities and Exchange Commission in accordance with reportorial requirements.

Through this process, ASFII upholds the principles of transparency, equitable treatment of shareholders, and accountability in Board selection, thereby strengthening its corporate governance framework and fostering investor confidence.



Board Committees and Allocation Of Responsibilities

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To support the effective discharge of its fiduciary duties, the Board of Directors of ASFII has established Board-level committees with clearly defined mandates, authorities, and reporting lines. These committees enhance the Board’s oversight functions, promote accountability, and ensure sound and independent decision-making, consistent with the SEC Code of Corporate Governance for Publicly-Listed Companies.

Each committee operates under a Board-approved charter and regularly reports to the Board on matters within its scope of responsibility.

Corporate Governance Committee



Chairman
Fernando L. Gaspar

Members
Domingo C. Go
Raymund A. Sanchez

The Corporate Governance Committee assists the Board in fulfilling its responsibilities relating to corporate governance. It oversees the implementation and periodic review of the Company’s governance framework to ensure alignment with regulatory requirements, industry best practices, and the Company’s evolving business environment.

The Committee is responsible for reviewing policies on disclosure of business interests, conflicts of interest, and the nomination, appointment, and promotion of directors and officers. It also conducts regular performance evaluations of the Board, its committees, and individual directors to ensure continued effectiveness and accountability.

Audit Committee



Chairman
Domingo C. Go

Members
Fernando L. Gaspar
Dobbin A. Tan

The Audit Committee plays a critical role in ensuring the integrity and reliability of ASFII’s financial reporting processes. It oversees compliance with applicable accounting standards, laws, and regulations, and monitors the effectiveness of the Company’s internal control systems.

The Committee supervises both internal and external audit functions, including the appointment, performance, and independence of external auditors. It evaluates the adequacy of internal controls and risk management systems, providing reasonable assurance that assets are safeguarded, operations are efficient, and financial disclosures are accurate and timely.

Board Risk Oversight Committee



Chairman
Raymund A. Sanchez

Members
Fernando L. Gaspar
Dobbin A. Tan

The Board Risk Oversight Committee supports the Board in identifying, assessing, and managing key risks faced by the Company, including financial, operational, strategic, and regulatory risks. It ensures the implementation of an effective and integrated enterprise risk management (ERM) framework.

The Committee reviews risk exposures, monitors mitigation strategies, and ensures that risk management practices are aligned with ASFII's overall strategy and risk appetite. It also promotes a risk-aware culture across the organization.

Related Party Transactions Committee



Chairman
Fernando L. Gaspar

Member
Domingo C. Go
Dobbin A. Tan

The Related Party Transactions Committee ensures that all transactions with related parties are conducted on an arm's length basis and in the best interest of the Company and its shareholders.

The Committee reviews, monitors, and evaluates related party relationships and transactions, ensuring proper identification, measurement, and control of exposures. It also ensures that all material related party transactions are subject to appropriate approval processes and are disclosed in accordance with SEC and PSE requirements.

Executive Committee



Chairman
Lorenzo Sixto T. Lichauco

Members
Domingo C. Go
Jeffrey P. Yulo

The Executive Committee is authorized to act on behalf of the Board when it is not in session, within the limits prescribed by law, the Company's By-Laws, and Board-approved delegations. It may exercise delegated powers in managing the business and affairs of ASFII.

However, consistent with statutory and governance requirements, the Executive Committee does not have authority over matters reserved for the full Board or stockholders, including those requiring stockholder approval, amendment of the By-Laws, declaration of dividends, or filling of Board vacancies. This ensures that critical decisions remain subject to full Board oversight.

Governance Outlook

ASFII continues to strengthen its committee structure and governance processes to ensure alignment with evolving regulatory requirements and best practices. Through its Board committees, the Company reinforces transparency, accountability, and effective oversight, supporting long-term value creation and investor confidence.



Board Oversight, Performance & Accountability

Board Oversight Of Strategy and Risk

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ASFII's Board of Directors is responsible for setting the Company's strategic direction and overseeing the implementation of its enterprise risk management framework. The Board approves corporate strategy and ensures that management's plans are aligned with the Company's objectives and the long-term interests of shareholders.

In fulfilling this mandate, the Board defines the Company's risk appetite and oversees the identification, assessment, and management of key risks, including strategic, operational, financial, and compliance risks. Oversight is exercised through regular monitoring of performance against defined objectives, supported by structured reporting mechanisms across the organization.

The Board ensures the adequacy and effectiveness of governance processes and internal control systems. It is supported by its committees, particularly the Board Risk Oversight Committee, which assists in the implementation and monitoring of the Company's risk management framework. Through these mechanisms, ASFII maintains integrated oversight of strategy execution and risk management to support sustainable operations and protect stakeholder interests.



Internal Controls and Audit Oversight

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The Board of Directors oversees the adequacy and effectiveness of ASFII's internal control systems, primarily through the Audit Committee. The Committee assists the Board in monitoring financial reporting, internal controls, and audit processes to ensure the integrity and reliability of disclosures.

The Audit Committee ensures that systems and processes are properly designed to provide reasonable assurance in key areas, including the integrity of financial reporting, compliance with applicable laws and regulations, operational efficiency, and the safeguarding of assets. It also oversees senior management in establishing and maintaining an effective internal control framework.

ASFII is supported by its Internal Auditor, Ms. Maria Rona Silvestre, who provides independent assurance on the effectiveness of internal controls and compliance with regulatory requirements. In addition, the Company engages an external audit firm to assess the design and operating effectiveness of business processes and internal controls. Based on these assessments, ASFII's operations were found to be compliant with, and in certain areas exceed, applicable regulatory standards.

To further strengthen internal controls, ASFII utilizes enterprise systems such as SAP (Systems Applications and Products) to enhance financial reporting accuracy, improve process controls, and support compliance with financial regulations. These systems contribute to the reliability and transparency of the Company's financial and operational data.



ASFII maintains an active and engaged Board of Directors through regular meetings that support effective governance and decision-making. In accordance with its governance practices, the Board convenes no fewer than six meetings annually, in addition to organizational meetings, to review corporate performance, approve strategic initiatives, and address key risks and governance matters.

Directors demonstrate strong engagement through consistently high attendance rates. Most Board members regularly attend scheduled meetings, reflecting their commitment to fulfilling fiduciary duties and exercising effective oversight. Attendance records indicate that several directors achieved full participation during the reporting period, while others maintained high attendance despite changes in Board composition.

Through regular meetings and active participation, the Board ensures timely decision-making, robust oversight, and alignment with the Company's strategic priorities.

Board Meetings and Participation

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Governance Outlook

ASFII continues to strengthen its governance framework by enhancing Board oversight, refining internal control systems, and promoting active director engagement. These efforts reinforce transparency, accountability, and effective risk management, supporting long-term value creation and sustained stakeholder confidence.

The Company holds no less than six meetings a year to discuss and deliberate on significant corporate governance topics, strategic plans, and policies.



Director	Board Meetings (6)	Organizational Meeting (1)
Lorenzo Sixto T. Lichauco	6/6 (100%)	1/1 (100%)
Gabriel A. Dee	5/6 (83%)	1/1 (100%)
Jeoffrey P. Yulo	6/6 (100%)	1/1 (100%)
Joseph Peter Y. Roxas*	2/2 (100%)	-
Dobbin A. Tan**	6/6 (100%)	1/1 (100%)
Domingo C. Go	6/6 (100%)	1/1 (100%)
Fernando L. Gaspar	5/6 (83%)	1/1 (100%)
Raymund A. Sanchez***	3/4 (75%)	1/1 (100%)

Board Meeting Attendance (2025–2026)

* Mr. Roxas ceased to be a director of the Company on June 17, 2025.

** Mr. Tan was an Independent Director from 2024 to 2025. On June 17, 2025, Mr. Tan was elected as a regular director for the term beginning 2025 to 2026.

*** Mr. Sanchez was elected as an Independent Director on June 17, 2025.

Board Compensation and Remuneration

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ASFII adopts a remuneration framework for members of its Board of Directors that is aligned with the provisions of its By-Laws, the Revised Corporation Code of the Philippines, and the SEC Code of Corporate Governance for Publicly-Listed Companies. The Company ensures that Board remuneration is structured to be reasonable, transparent, and consistent with the long-term interests of shareholders.

Directors receive per diem allowances for attendance at Board and committee meetings, as approved by the Board. In accordance with Section 29 of the Revised Corporation Code, the total yearly compensation of directors may also be fixed by stockholders and shall not exceed ten percent (10%) of the Corporation's net income before income tax for the preceding year.

As of the reporting period, ASFII has not adopted a fixed or performance-based compensation scheme for directors. Compensation is primarily limited to per diem allowances, reflecting a prudent and controlled approach that supports director independence and avoids undue incentives that may compromise objective judgment.

This remuneration structure is consistent with the principles under the SEC Code, which emphasize that compensation of directors should be sufficient to attract and retain qualified individuals while ensuring that it does not compromise independence or accountability. The framework also reinforces alignment between Board oversight and the Company's long-term strategic and financial performance.



Governance Perspective

ASFII's approach to Board remuneration demonstrates its commitment to sound corporate governance by maintaining a balance between fair compensation and the preservation of independent judgment. The Company continues to review its remuneration practices to ensure alignment with regulatory developments and evolving governance standards.



Meeting, Attendance	Year	Organizational Meetings	Regular Meetings Bonuses and Other Income (In PHP '000)
CEO and the four most highly compensated officers	2023	27,115	600
	2024	29,224	800
	2025		
Aggregate Compensation paid to all officers and directors as a group	2023	33,129	1,399
	2024	37,783	1,600
	2025		

The available data indicates a consistent upward trend in compensation from 2022 to 2024, reflecting ASFII’s alignment of remuneration with the Company’s operational scale and performance. This trend demonstrates a measured approach to compensation that corresponds with organizational growth and evolving responsibilities.

ASFII remains committed to transparency in its disclosures and will provide updated compensation information in subsequent reports, in accordance with applicable regulatory and reporting requirements.

Performance Evaluation and Accountability

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ASFII ensures the effectiveness and accountability of its Board of Directors through structured performance evaluation mechanisms overseen by the Corporate Governance Committee. The Committee is responsible for evaluating the performance of the Board as a whole, its committees, and individual directors, in accordance with the Company's corporate governance framework and applicable regulatory standards.

The evaluation process supports the Board in maintaining its effectiveness and fulfilling its fiduciary duties. It provides a basis for assessing whether the Board's composition, processes, and practices remain appropriate in light of changes in the Company's operations, strategic direction, and regulatory environment.

Through periodic assessments, ASFII is able to identify areas for improvement, reinforce accountability, and promote continuous development within its governance structure. The results of these evaluations are used to enhance Board performance, strengthen oversight functions, and ensure alignment with best practices in corporate governance.

By institutionalizing these evaluation practices, ASFII reinforces its commitment to transparency, accountability, and the continuous strengthening of its governance framework in support of long-term value creation.

Ethics, Risk Management & Compliance

Code of Business Conduct and Ethics

2-23

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ASFII adopts a Code of Business Conduct and Ethics that establishes the standards of ethical behavior and professional conduct expected of its directors, officers, employees, and subsidiaries. The Code serves as a guiding framework to ensure that all business activities are conducted with integrity, accountability, and in compliance with applicable laws, rules, and regulations.

The Code sets out clear expectations across key areas of conduct, including honesty and fairness in business dealings, compliance with legal and regulatory requirements, and the proper identification and management of conflicts of interest. It promotes professionalism in the workplace and in all interactions with stakeholders, including customers, suppliers, and business partners.

In addition, the Code covers policies on insider trading, protection of confidential information, and the proper use of Company assets. All personnel are expected to safeguard sensitive information and avoid actions that may compromise the Company's reputation, assets, or interests.

Through the implementation and enforcement of this Code, ASFII promotes a culture of integrity and accountability across the organization. The Code forms a core component of the Company's governance and compliance framework and is regularly communicated to employees to ensure awareness and adherence.





Performance Evaluation and Accountability

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ASFII's governance practices are further reflected in the external recognition it has received. In 2025, the Company was recognized under the ASEAN Corporate Governance Scorecard (ACGS) as a top-performing publicly listed company in the Philippines. This recognition highlights ASFII's adherence to high standards of transparency, accountability, and board effectiveness. In addition, ASFII received the 2025 IDCP Halal Award as the first halal-certified tuna products company, demonstrating its commitment to regulatory compliance and industry standards.

These recognitions provide independent validation of ASFII's governance framework and reinforce the effectiveness of its performance evaluation and accountability mechanisms.



To further reinforce its governance and ethical standards, ASFII conducted its 2025 National Convention, which also served as a leadership training platform for employees across the organization. The event facilitated the communication of key governance principles, including ethical conduct, compliance requirements, and operational standards, while simultaneously strengthening leadership capabilities and accountability among participants.

Through such initiatives, ASFII ensures that its governance framework is not only established at the Board level but is also effectively embedded throughout the organization, supporting consistent application of policies and responsible decision-making.



Anti-Corruption and Ethical Practices

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ASFII adopts a zero-tolerance policy against bribery and corruption. The Company strictly prohibits all forms of corrupt practices, including the offering, giving, soliciting, or receiving of bribes, kickbacks, or any improper advantage in the conduct of business. This policy applies to all directors, officers, employees, and third parties acting on behalf of the Company.

To support the effective implementation of its anti-corruption framework, ASFII ensures that policies, procedures, and protocols are clearly communicated to all personnel, including new hires, through regular training programs and dissemination of guidelines.

The Company establishes clear standards governing interactions with external parties, including suppliers, customers, and government officials. The giving or acceptance of gifts, hospitality, or favors that may influence, or appear to influence, business decisions is strictly regulated in accordance with Company policy.

All credible allegations of bribery or corruption are promptly investigated in accordance with principles of due process. Where warranted, personnel under investigation may be placed under preventive suspension. Confirmed violations are subject to appropriate disciplinary action, including termination of employment. ASFII likewise reserves the right to terminate contractual relationships with third parties found to have breached its anti-corruption policies.

Governance Perspective

ASFII's ethics and compliance framework reflects its commitment to upholding the highest standards of integrity in all aspects of its operations. By embedding ethical principles into its policies, training, and enforcement mechanisms, the Company strengthens stakeholder trust, mitigates compliance risks, and reinforces a culture of responsible and transparent business conduct.

KPI	2022	2023	2024	2025
Percentage of employees to whom anti-corruption policies have been communicated	100%	100%	100%	100%
Percentage of business partners to whom anti-corruption policies have been communicated	100%	100%	100%	100%
Percentage of directors and management who have received anti-corruption training	100%	100%	100%	100%
Percentage of employees who have received anti-corruption	100%	100%	100%	100%

Anti-Corruption Policy Communication and Training Coverage.

Whistleblowing and Reporting Mechanisms

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ASFII has established a whistleblowing mechanism that enables employees and other stakeholders to report concerns related to unethical behavior, misconduct, or violations of Company policies. This mechanism supports transparency and accountability by providing a formal and accessible channel for raising concerns.

Reports may cover matters such as fraud, corruption, conflicts of interest, or other irregularities in business conduct. All reports are handled in accordance with established procedures to ensure that concerns are properly reviewed, investigated, and addressed.

ASFII provides protection to individuals who report in good faith. Retaliation against whistleblowers is strictly prohibited, and safeguards are in place to maintain the confidentiality of reports and the identity of reporting individuals, where applicable. Through this mechanism, the Company ensures that potential issues are identified and addressed in a timely and responsible manner.



Conflict Of Interest and Business Conduct Policies

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ASFII requires its directors, officers, and employees to avoid situations that may give rise to actual or potential conflicts of interest. All personnel are expected to act in the best interest of the Company and to exercise objectivity and integrity in the performance of their duties.

The Code of Business Conduct and Ethics provides guidelines on identifying and managing conflicts of interest. Personnel are required to disclose any personal, financial, or business interests that may influence, or appear to influence, their decision-making. These disclosures enable the Company to assess and address potential conflicts in a timely manner.

ASFII also establishes clear policies on the acceptance of gifts, favors, and hospitality to prevent undue influence in business transactions. Benefits that may compromise independence or objectivity are restricted in accordance with Company policies. These measures promote fairness, transparency, and integrity in all business dealings.

Risk Management and Internal Control Framework

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ASFII adopts an enterprise-wide approach to risk management to identify, assess, and manage risks that may affect the achievement of its objectives. The Board of Directors has overall responsibility for risk oversight and ensures that an appropriate risk management framework is implemented across the organization.

The Board is supported by the Board Risk Oversight Committee, which assists in evaluating key risks, including strategic, operational, financial, and compliance risks, and in ensuring that appropriate mitigation measures are in place.

Risk management is integrated with the Company's internal control systems. The Audit Committee oversees the effectiveness of these controls, while the Internal Auditor provides independent assurance on their adequacy and implementation. In addition, external assessments are conducted to evaluate the design and operating effectiveness of business processes and internal controls.

Through this framework, ASFII ensures that risks are systematically managed and that internal controls support operational efficiency, regulatory compliance, and reliable financial reporting.

Regulatory Compliance and Governance Oversight

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ASFII ensures compliance with applicable laws, rules, and regulations through established governance and oversight mechanisms. The Board of Directors retains overall responsibility for ensuring that the Company operates within the legal and regulatory framework relevant to its business.

The Company has designated a Compliance Officer, Atty. Maria Resa S. Celiz, who is responsible for monitoring adherence to regulatory requirements and ensuring that Company policies and procedures remain aligned with applicable laws. The Compliance Officer works closely with management and relevant departments to oversee compliance activities and address regulatory matters as they arise.

ASFII also ensures that all necessary permits, licenses, and certifications are maintained. Compliance is monitored through internal controls and supported by regular reporting to management and the Board. During the reporting period, no material penalties or sanctions for non-compliance were recorded, indicating effective compliance practices.

Data Governance & Sustainability Integration

Data Privacy and Security Governance

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ASFII recognizes the importance of protecting personal and sensitive information and has established policies and controls to ensure compliance with applicable data privacy regulations. The Company implements a Data Privacy Policy that governs the collection, use, storage, and protection of personal data.

A designated Data Protection Officer (DPO), Atty. Gino Marco P. Bautista, oversees compliance with data privacy requirements and works with relevant departments to monitor data processing activities and address privacy-related concerns.

ASFII implements safeguards to protect data from unauthorized access, disclosure, or misuse, including access controls, internal protocols, and system-based security measures. During the reporting period, no material data breaches or incidents involving personal data were reported, demonstrating the effectiveness of these controls.



Digital Systems and Internal Control Support

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ASFII utilizes enterprise systems, including SAP (Systems Applications and Products), to support financial reporting, operational processes, and internal controls. These systems enhance the accuracy, reliability, and timeliness of information used in decision-making.

The integration of SAP strengthens internal controls by improving transaction monitoring, reinforcing data integrity, and ensuring compliance with financial and regulatory requirements. System-based controls also reduce the risk of errors and unauthorized transactions through standardized processes. Through the use of digital systems, ASFII reinforces its internal control environment and promotes efficient and transparent operations.



Sustainability Reporting Readiness

2-14 2-23 2-24 2-27

ASFII is taking proactive steps to align its reporting practices with evolving sustainability reporting standards and regulatory expectations. The Company's materiality assessment, conducted in accordance with GRI Standards and relevant guidelines, forms the basis for identifying and prioritizing key ESG topics.

In line with SEC Memorandum Circular No. 16, Series of 2025, ASFII, as a Tier 3 publicly listed company, is preparing to adopt the applicable sustainability reporting standards in the coming years.

To support this transition, ASFII is strengthening its internal systems for data collection, monitoring, and reporting. It is also aligning governance and risk management processes with sustainability requirements and enhancing the consistency and reliability of ESG disclosures.

Through these efforts, ASFII demonstrates its commitment to regulatory compliance, transparency, and the continuous improvement of its sustainability reporting practices.



Governance Outlook

ASFII continues to enhance its ethics, compliance, and sustainability governance framework by integrating risk management, data governance, and ESG reporting practices. These initiatives strengthen accountability, support regulatory compliance, and position the Company to meet evolving stakeholder and regulatory expectations.

2025 SUSTAINABILITY REPORT



ALLIANCE SELECT FOODS
INTERNATIONAL, INC.