

U.N. GLOBAL COMPACT PRINCIPLES

POLICIES, ACTIONS AND PERFORMANCE INDICATORS



WE SUPPORT

U.N. GLOBAL COMPACT INITIATIVES

2010 COMMUNICATIONS ON PROGRESS REPORT

Mabuhay Vinyl Corporation (MVC) is actively engaged in the United Nations Global Compact, ‘a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment, and anti-corruption’.

As one of the pioneer signatories in the Philippines, MVC is committed to collaborating with governments, civil society, labor, and the United Nations through the Global Compact.

Mr. Edwin Ll. Umali, MVC President and COO, reaffirms the company’s support: “The annual posting of the Communication on Progress is Mabuhay Vinyl Corporation’s statement of commitment to the UN Global Compact and its values. We seek to uphold and advance the principles and sustainability solutions by rallying our stakeholders for effective implementation.”

The 2010 Communications on Progress reports management support of and employee participation in the company’s collective efforts to integrate the UNGC principles into its business operations.

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HUMAN RIGHTS	
Principle 1: Support and respect the protection of International Human Rights within MVC’s sphere of influence	<p>MVC Management and Union address issues and concerns in the Industrial Peace Council, a labor management cooperative scheme. Together with the Plant Central Safety Council, a meeting is held every month to provide employees with a venue to discuss concerns, suggest solutions to work problems, and present improvement ideas.</p> <p><i>Employee Relations</i></p> <p>In case of infraction, employees are given the opportunity to present their side and the rationale for their actions. Our procedure for implementing discipline is designed to correct undesirable conduct and reform erring employees for the sake of efficient operations and organizational good.</p> <p><i>Corporate Social Responsibility</i></p> <p>MVC upholds its commitment to community and nation building through Corporate Social Responsibility activities. Our employees empowered neighboring communities with basic first aid training, free medical clinics, and dengue information drive. To augment sparse equipment and supplies in the Gregorio Lluch Memorial Hospital, a government hospital in Iligan City, MVC donated much-needed steel cabinets, trashcans, and disinfectants (sodium hypochlorite).</p>
Principle 2: Make sure MVC is not complicit in human rights abuses.	<p>Every quarter, employee volunteers donate blood to the Philippine National Red Cross through the PNRC’s mobile blood donation program. For Women’s Month, MVC donated and distributed personal hygiene items, baby clothing, and food items to the women and children sheltered by the Religious Sisters of Mercy.</p> <p>Towards supporting the educational pursuits of local youth, MVC conducted <i>Brigada Eskwela</i> and a feeding program, and distributed school supplies at the Francesca Paradela Memorial School in Ditucalan, Iligan City. Through employee contributions, MVC extended the scholarship program to include 7 elementary-age children from Purok 13 in Iligan City.</p>

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	<p>Keeping children healthy and happy, the company spearheaded the Flores de Mayo for 104 kids at Purok Tonggo, the Annual Summer Theater Arts workshop for 30 kids and 16 teens, and the annual <i>Pamaskong Handog sa mga Bata</i> and gift giving for 130 kids from Purok 13, Tonggo and 30 members of Kabataang Purok 13 (a youth club organized by MVC, and 85 kids at Barangay Digkilaan, Iligan City). Values enhancement sessions were also held for a youth group from Purok 13.</p>
LABOR	
Principle 3: Uphold the freedom of association and the effective recognition of the right to collective bargaining.	<p>MVC management involved the company’s unions in the strategic planning session of the Industrial Peace Council and Plant Central Safety Council, chaired by Mr. Wilfredo Rosell, the 2010 president of the Rank & File Union. Management also signed a 2-year CBA with the Rank & File Union.</p> <p>Our CBA provides a grievance procedure that gives voice to employees to raise and settle issues and concerns about their terms of employment, working conditions, and work schedules.</p> <p>We ensure that our employees receive the mandated benefits. MVC was named 2010 SSS <i>Balik at ng Bayan</i> Awardee for Top Employer-Northern Mindanao Cluster for its compliance with the Social Security Law and participation in SSS programs.</p>
Principle 4: Elimination of all forms of forced and compulsory labor.	
Principle 5: Effective abolition of child labor	
Principle 6: Elimination of discrimination in respect of employment and occupation	<p>MVC conducts business only with suppliers and contractors who do not engage in child labor.</p> <p>Our contracts for outsourced services require contractors and suppliers to comply with all regulatory standards including rates of pay, personal safety equipment, and legal benefits. Monitoring is done to ensure that these contractual provisions are implemented.</p> <p>To encourage professional growth, it is company policy to promote from within the organization. MVC is proud that all department managers, including our SVP for Manufacturing Operations, rose from the ranks.</p>
ENVIRONMENT	
Principle 7: Support a precautionary approach to environmental challenges	<p>As an ISO 14001:2009-certified company and Responsible Care practitioner, MVC manifested its commitment to environmental protection through a lecture forum for fishermen on aquatic resources conservation and the legal aspects of fisheries management, tree planting activities and a creek and coastal clean-up by employees, community residents, and local government representatives during the Environment Month. MVC also donated plastic drums to Barangay Buru-un for their marine protection project.</p>
Principle 8: Undertake initiatives to promote greater environmental responsibility	<p>MVC employees are the company’s beacons for environmental awareness and protection. Towards the upgrade of their skills and knowledge, we conducted product-handling training for employees of our accredited truckers.</p>
Principle 9: Encourage the development and diffusion of environmentally friendly technology	<p>In recognition of his efforts, a MVC Pollution Control Officer was recognized as one of the Top Ten Outstanding PCO of the year by the Pollution Control Association of the Philippines, Inc. (PCAPI).</p>
ANTI-CORRUPTION	
Principle 10: Work against corruption in all its forms, including extortion and bribery	<p>It is the company’s policy to comply with all government requirements and standards.</p> <p>MVC was once again awarded as one of the Top Ten taxpayers of Iligan City during the <i>Araw ng Iligan</i> celebration.</p> <p>The Brotherhood of Christian Businessmen and Professionals (BCBP) in Iligan City awarded MVC with a Plaque of Recognition for its “Be Honest” campaign which exhorts all employees to be fair and honest in all their dealings.</p>