



UN GLOBAL COMPACT INITIATIVES 2008 COMMUNICATIONS on PROGRESS REPORT

Mabuhay Vinyl Corporation affirms its commitment to upholding the principles of the UN Global Compact Initiatives. As one of the active signatories, MVC continues to signify its adherence to the UN GCI principles.

MVC's 2008 UN Global Compact Report summarizes management's support and employees' volunteerism activities that reflect our overall efforts to integrate the principles into our operations, in the way we deal with our business partners, and in nurturing communities.

MVC President and COO Edwin LI. Umali remains the motivator and inspiration to his management team and employees in efforts to complement MVC's own vision and mission with the UN GCI core values and principles.

As in previous years, MVC's COP has been Integrated into our Annual Report and shared with the company's shareholders.

Principles	Policies, Actions and Performance Indicator
<p>Principle 1: Support and respect the protection of International Human Rights within MVC's sphere of influence.</p>	<p>Enhancing Article 26 of the International Human Rights (IHR) Declaration, MVC carried out the following activities:</p> <ul style="list-style-type: none"> Enhanced learning and education of students by: <ul style="list-style-type: none"> Hosting educational plant tours as part of the education curriculum for 790 students from various schools in Mindanao; Hosted two batches of student on-the job training for 55 students Participated in PBSP's formal turnover of a four-classroom high school building, scholarships for 56 orphans for landslide survivors in Guinsaugon, St. Bernard, Leyte. The company's Industrial Peace Council started a scholarship fund to send seven children of poor families from Purok 13. Funds were raised through the My Voluntary Contribution (M. V. C.) program. Repaired and improved the Day Care Center of Purok 13, Timoga, Iligan City. Provided toilet and washroom facilities inside the center. The center now serves as the venue for Purok meetings. Donated school supplies to the Day Care Center at Brgy. San Miguel, Bauan, Batangas. <p>Further enhancing Article 23 of the IHR Declaration, MVC also embarked on the following initiatives:</p> <ul style="list-style-type: none"> Completed/turned over the assistance (part MVC assisted program) on livelihood projects to beneficiaries (landslide survivors) in Guinsaugon, St. Bernard, Leyte. Conducted livelihood training (soap making) for Purok 13 residents. <p>In support of Article 25 of the IHR Declaration, MVC took the following steps:</p> <ul style="list-style-type: none"> Conducted a dental mission for Purok 13 residents in partnership with the Iligan City Dental Society. A total of 77 beneficiaries availed of the dental services. Donated medical supplies, waste cans and snacks for the medical mission conducted by Barangay Maria Cristina. Donated P15,000 cash to victims of Typhoon Frank in Aklan. Funds were generated through voluntary contributions of employees. Conducted Iodine Deficiency Disorders (IDD) Elimination Information Drive at Purok 13 in partnership with Kiwanis Club of Power City. <p>Finally, in relation to Article 18 of the IHR Declaration, MVC donated construction materials for the rehabilitation of St James Chapel in Kauswagan, Lanao del Norte and coordinated the Flores de Mayo for 80 children at Purok Tonggo.</p>
<p>Principle 2. Make sure MVC is not complicit in human rights abuses.</p>	<p>Inspired by its commitment to develop and prepare the Youth for the future, MVC launched the Youth Development Program for youth ages 15 – 25 years old from Purok 13, Timoga, Iligan City. The program aims to provide the youth with a holistic approach to development, that is, technical skills training coupled with personality, leadership and character building. MVC hopes that by engaging the youth in the program, they will be able to acquire pertinent skills and knowledge, to aid them in their future endeavors.</p>
<p>Principle 3: Uphold the freedom of association and the effective recognition of the right to collective bargaining.</p>	<p>MVC continues to involve the two unions in the conduct of strategic planning sessions of the Industrial Peace Council And Plant Central Safety Council. With the support and partnership of both Management and Labor, the following were accomplished :</p> <ul style="list-style-type: none"> MVC hosted the quarterly Board Meeting of the Regional Tripartite Industrial Peace Council (Region 10) at the MVC Conference Room. Shared MVC's best practices on labor management cooperation during the Philippine Association of Labor-Management Council's (PALMCO) National Convention at Cagayan de Oro City Shared MVC's Best practices on Labor-Management Council (LMC) during the Labor Management Council gathering in Iligan City. Shared MVC's best practices on Corporate Social Responsibility (CSR) and livelihood programs to members/officers of the Rank & File Union of Rio Tuba mining in Palawan.

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<p>Principle 4: Elimination of all forms of forced and compulsory labor.</p> <p>Principle 5: Effective abolition of child labor</p>	<p>Care and support for children has always taken a soft-spot in MVC's activities. Through the years, activities such as these have been regularly initiated :</p> <ul style="list-style-type: none"> Conducted Pamaskong Handog sa mga Bata - a Christmas Party for Purok 13 and Tonggo kids. Now on its 15th year, This was participated in by 120 children. Distributed gift packages for 50 kids in Digkilaan and 35 Day Care pupils at Purok 13. Continuous monitoring of contractors' personnel to ensure that all contract workers are of legal age, that is, at least 18 years old Continuously monitors implementation of contractors re legal rates and benefits to all their workers.
<p>Principle 6: Elimination of discrimination in respect of employment and occupation</p>	<p>To have provided its employees the opportunities and venues to become better individuals is one way to heighten respect and trust in employees and their roles in the organization. To this end, MVC is proud to have produced another model employee :</p> <ul style="list-style-type: none"> Duke Visitacion, MVC's 2008 Outstanding Quality Employee of the Year was adjudged as Iligan City-Lanao del Norte Outstanding Employee for 2008. This is the fourth consecutive year that an MVC employee won this award given by the Iligan City-Lanao del Norte Tripartite Industrial Peace Council.
<p>Principle 7: Support a precautionary approach to environmental challenges</p> <p>Principle 8: Undertake initiatives to promote greater environmental responsibility</p> <p>Principle 9: Encourage the development and diffusion of environmentally friendly technology</p>	<p>MVC carried out advocacy activities on solid waste management program by:</p> <ul style="list-style-type: none"> Participating in the Barangay Solid Waste Management Council of Barangay Maria Cristina under the new Barangay Captain. Conducted orientation to ten members of the Education and Promotion Committee of Mindanao State University (MSU) – Iligan Institute of Technology. Hosting the Capability Building Training for Barangay Maria Cristina Solid Waste Management Committee. <p>MVC also successfully passed the surveillance visit of TUV-SUD on MVC's Environmental Management System – ISO 14001 certification and was granted the continued use of the Certification.</p> <p>Below are the activities which MVC has undertaken in support of its Environmental responsibility :</p> <ul style="list-style-type: none"> Conducted Safe Chlorine Handling Orientation for 33 employees of Iligan City Waterworks System. The Pollution Control Association of the Philippines conferred MVC with its Success Story-Environmental Award during its 28th National Convention in Subic Bay. The award is in recognition of the efforts and programs of the company to remain steadfast in putting to practice and aligning itself with the principles it has established in protecting the environment and conserving resources through adoption of environment friendly technologies. Celebrated Earth Day/Month thru a volunteer community clean-up at Purok 13 Highway, Timoga creek and coastal area near MVC Pier, Purok 13 residents and MVC employees were the volunteers. DENR through its DENR-EMB Industrial Ecowatch program upgraded the rating of MVC from blue to green. The rating criteria based on D.O. # 98-51 are as follows: <ol style="list-style-type: none"> Black - Very Bad Red - Bad Blue - Good Green - Very Good Silver - Excellent Performance Gold - Outstanding Performance <p>MVC has been upgraded to Green because it has complied with the following:</p> <ul style="list-style-type: none"> Met all the DENR/LLDA requirements and has been rated Blue in the previous rating period. Our effluents/emissions are consistently lower than the applicable standards by at least 20% We have a well functioning monitoring equipment such as flow meters, continuous emission monitoring system We have discharge points which are accessible to inspection. The entire operations of MVC Iligan Plant shifted to the Ion Exchange Membrane Technology which is a more-environment friendly technology. This eliminates use of asbestos, reduction in power and materials usages and will definitely enhance safety and health concerns of workers. Conducted orientation/tour of the new IEM plant facilities for Purok 13 officials. Emphasized to them the safety/ environment friendly features of the new plant. <p>All these efforts have been duly noted, as MVC was awarded by the Department of Environment and Natural Resources (DENR) with a Citation for its Energy Conservation Programs.</p>
<p>Principle 10: Work against corruption in all its forms, including extortion and bribery</p>	<p>As a responsible organization, MVC adheres to and complies with government requirements and duties. In the area of tax payment, MVC was once again given recognition by the City of Iligan for being one of the city's top 3 taxpayers in the large industries category for the year 2008.</p>