



UN Global Impact

Initiatives for 2006

MVC is an active partner to the United Nations Global Compact, an international initiative that started in 2000 to bring companies together with UN agencies, labor and civil society in support of universal environmental and social principles. As part of a network that spans thousands of companies from all regions of the world, MVC is committed to the advancement of ten universal principles in the areas of human rights, labor, the environment and anti-corruption.

The company's progress in meeting these principles in 2006 are summarized below:

Principles	Policies, Actions and Performance Indicators
1. Support and respect the protection of internationally proclaimed human rights within MVC sphere of influence.	<p>The "Pay for Performance Plan" (PPP) has been improved in 2006 by recognizing Individual Performance (60%) and Departmental Performance (40%). This is the company's way of inculcating a performance-based culture and raising worker productivity. The PPP is an incentive MVC gives to non-CBA employees.</p> <p>MVC continues to adhere to mandated government regulations on wages and benefits.</p>
2. Uphold the freedom of association and the effective recognition of the right to collective bargaining.	<p>In 2006, MVC signed a new collective bargaining agreement (CBA) with the supervisory union after only two meetings, and with the rank-and-file union after six meetings. Formal signing of the CBA took place on December 8, 2006 and March 2, 2007, respectively.</p> <p>In recognition of its employees' loyalty and commitment to the Company, Management granted an improvement in retirement benefits. Management and Union continue to address issues and concerns in the Industrial Peace Council, chaired by the president of the rank-and-file union for 2006. Capitalizing on mutual trust and respect for each other, either party is able to raise concerns, and these are professionally resolved in the Council.</p>
3. Make sure MVC is not complicit in human rights abuses.	<p>MVC management maintains an open communications policy to ensure that issues and concerns related to employment are discussed and resolved immediately. The Council of Solidarity (COS) in the head office, composed of employee representatives in every department, recommends and implements various employee work-life balance activities and programs.</p>
4. Elimination of all forms of forced and compulsory labor.	<p>In 2006, MVC constructed safe and comfortable working areas for third-party suppliers and contractors, provided them with lockers for safekeeping their tools and equipment, and with potable drinking water and comfort room facilities. MVC actively supported the Employers' Confederation of the Philippines' (ECOP) advocacy and seminars on elimination of all forms of forced and compulsory labor. Represented by its HR Manager, MVC took part in ECOP's activities in support of this advocacy. MVC has also been invited to be part of the ECOP Steering Committee, which screened and visited companies vying to be recognized as <i>Child-Friendly Companies for 2007</i> after receiving such recognition as well.</p>
5. Effective abolition of child labor.	<p>The company also continuously monitors accredited vendors and third-party suppliers and contractors to ensure that they comply with the Minimum Wage Act and with the mandated labor benefits such as pension contributions to the Social Security System, medical insurance to PhilHealth, and Pag-IBIG Funds membership for workers.</p>



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<p>6. Elimination of discrimination in respect of employment and occupation.</p>	<p>MVC recognizes its employees as partners in building a strong organization. In 2006, MVC employee Bienvenido Dungog was recognized as “Most Outstanding Employee of Region X” by the Department of Labor and Employment–Region X. This was the second time an MVC employee garnered the award. Not only did the award give merit to individual employee’s outstanding performance, it also mirrored the company’s support in providing its employees opportunities to become the best they could be, in relation to their professional career and employment.</p> <p>Paying tribute to the important role of women in the organization, MVC management initiated and sponsored several activities in March 2006 to mark the International Women’s Month celebration. The program included a forum on the rights and roles of women in the corporate world, and an orientation on gender sensitivity and anti-sexual harassment policy.</p>
<p>7. Support a precautionary approach to environmental challenges.</p>	<p>MVC successfully implemented an environmental management system following the ISO 14001:2004 standards. Under this system are the following notable programs: formulation of procedures and controls to prevent environmental pollution, implementation of a solid waste management system, and promotion of awareness among employees and third-party suppliers and contractors on the importance of environmental protection.</p> <p>On December 8, 2006, the company’s President formally accepted the EMS Certification (ISO 14001:2004) given by the TUV-SUD Management Services.</p> <p>The Council of Solidarity conducted a re-orientation seminar on proper waste segregation for head office personnel as part of the Welfare Committee’s activities for 2006. A group of employee volunteers also organized themselves to monitor tree-planting activity in Liliw, Laguna.</p>
<p>8. Undertake initiatives to promote greater environmental responsibility.</p>	<p>MVC successfully implemented a solid waste management system in Barangay Maria Cristina, one of the communities near its Iligan Plant. Due to its noteworthy efforts, the community was chosen to represent Iligan City in the National Search for Barangays with Ecological Solid Waste Management Systems. MVC’s program was also used as benchmark for the proper implementation of Republic Act 9003, or the Ecological Solid Waste Management Act.</p>
<p>9. Encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Other initiatives undertaken in 2006 include the installation of new air conditioning units using environment-friendly refrigerant (R22S), encouraging recycling and reuse of materials during the Christmas season, and transforming biodegradable waste into fertilizer through composting.</p>
<p>10. Work against corruption in all its forms, including extortion and bribery.</p>	<p>MVC is proud of its reputation as a good corporate citizen. In 2006, the company was recognized as one of the Top 5 Taxpayers in Iligan City. It was also recognized by the National Power Corporation with a Prompt Payor Award, which underscores MVC’s commitment to being a good corporate citizen by paying its tax obligations and dues on time. The company has also sustained its “Be Honest Campaign” through its values forum. It also reviewed its computerized purchasing system and redesigned it to make transactions more transparent.</p>