

Statement of Continuing Support to the UN Global Compact



I am pleased to submit PRIMEX's Communication on Progress (COP) for 2015. We remain committed to supporting the United Nations Global Compact (UNGC) and its efforts to advance human rights, improve global labor standards, protect the environment, and fight corruption in business and government.

Eight years after signing the Global Compact, we made excellent progress in integrating the Compact and its principles into our strategy, culture, and day-to-day operations. We have come to better understand some of the issues related to sustainability, especially the importance that the Environment plays in the world of work and ways in which work practices, new businesses, and new skills are emerging to address contemporary environmental issues. We are keen to make a positive difference within our sphere of influence and continue operating honestly and ethically.

I am proud of the progress we have made and we will keep working to integrate these principles throughout the Company. I look forward to continuing PRIMEX's work with the UN Global Compact and to creating lasting change in our communities.

We have made this report available on our website in order to support public accountability and transparency concerning our efforts relevant to the Global Compact.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Elvira C. Ablaza'.

ELVIRA C. ABLAZA
President and CEO
Pacific Rim Innovation and Management Exponents, Inc. (PRIMEX) (Philippines)

Implementing the 10 Principles into our Operations

10 Principles of the UN Global Compact		PRIMEX Policies
1. Human Rights		
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.		PRIMEX makes an effort to understand, respect, and support its constituents from other cultures, exemplified by the contributions of its staff and executive leadership, and to contribute to an organizational culture that respects the diverse, individual contributions of staff and leadership.
Principle 2: Make sure that they are not complicit in human rights abuses.		
2. Labor		
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.		PRIMEX works with business partners who demonstrate high standards of ethical business conduct. It complies with all applicable competition and consulting services laws wherever it does business and competes by applying its knowledge, technology, and skills.
Principle 4: The elimination of all forms of forced and compulsory labor.		PRIMEX recognizes the dignity of all human beings and the inalienable rights of all people to live their lives free from social, political, or economic discrimination or abuse. As a responsible member of the local and international business community, PRIMEX shares a commitment to integrity, regardless of position, location, or level of seniority.
Principle 5: The effective abolition of child labor.		
Principle 6: The elimination of discrimination in respect of employment and occupation.		PRIMEX's Equal Employment Policy, detailed in the Employee's Handbook on Policies and Procedures, prohibit discrimination on the basis of gender, race, sexuality, nationality, age, disability, ethnic origin, religion or status.
3. Environment		
Principle 7: Businesses should support a precautionary approach to environmental challenges.		PRIMEX understands and complies with the environmental laws and regulations associated with its business activities, as well as with those related to Company and operating unit policies and procedures.
Principle 8: Undertake initiatives to promote greater environmental responsibility.		PRIMEX commits to the principles of sustainable development. It continually supports climate change initiatives, and has led and participated in a number of climate change and related projects.
Principle 9: Encourage the development and diffusion of environmentally friendly technologies.		
4. Anti-Corruption		
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.		PRIMEX adheres to its Anti-Corruption Policy, which complies with all applicable international laws, treaties, and regulations that forbid bribery, including international laws where it conducts business and the <i>Philippine Anti-Graft and Corrupt Practices Act (Republic Act No. 3019)</i> .

Actions Implemented in the Last Year/ Measurable Results or Outcomes

A. Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

PRIMEX complies with all applicable laws and respect internationally recognized human rights, wherever the company operates. It supports governments, nonprofit organizations, and private companies in conducting programs and instituting policies to protect human rights, labor rights, and serve environmental interests.

In the Asia-Pacific region, **PRIMEX** has supported projects improving conditions for marginalized groups, such as ethnic minorities. **PRIMEX** is Lead Firm in the implementation of the ADB-funded technical assistance, *Upper Secondary Education Development Project (USEDP) (TA 8573-CAM)* in Cambodia, which provides science, math, and IT scholarships for poor deserving students, girls, and ethnic minorities from remote areas. From January–August 2015, **PRIMEX** was International Associate to an Australian firm for the *Sustainable Infrastructure Assistance Program-Technical Assistance Cluster Management Facility in Cambodia*, where **PRIMEX** fielded a Social Development/Gender Expert, who provided a detailed socio-economic, gender and ethnic minority analysis of the proposed project and the subprojects, developed appropriate community mobilization and awareness campaigns, designed and carried out a willingness to pay survey, and prepared relevant sections of the RRP and the required linked documents, such as the Gender Action Plan. In Vietnam, **PRIMEX** is also implementing the ADB *Second Secondary Education Sector Development (SES DP II) (TA 8698-VIE)* from June 2015–May 2016 as international associate to a UK-based firm. It fielded the international Gender and Ethnic Minority Specialist who is tasked to: (i) prepare profiles of the project-affected communities in the project sites in terms of household sizes, demographic trends, income sources and levels, occupations, socio-economic conditions as gender and ethnic minority group profiles; (ii) identify the disadvantaged groups as the project beneficiaries; (iii) undertake an initial poverty and social analysis and assess a prospective social impact of the proposed loan project in accordance with *Guidelines for Incorporation of Social Dimensions in ADB Operations*; (iv) identify challenges and constraints in secondary education in the disadvantaged areas and propose suitable measures for mitigation; (v) develop procedures to assess and a gender action plan based on ADB's *Policy on Gender and Development* for the Project, if necessary; (vi) assess the number of indigenous people and their socioeconomic status using ADB's checklist and Indigenous People Impact Categorization Form, and develop a short indigenous people's development plan based on ADB's *Policy on Indigenous People and on Gender and Development*, if necessary; (vii) elaborate the gender issues identified in the IPSA; (viii) collect the baseline; and (ix) develop the specific gender design elements.

In the coming year, **PRIMEX** will work to protect human rights by partnering with innovative organizations in the communities where the company works.

B. Labor

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

PRIMEX continues to practice strong corporate governance and enforce its Standards of Business Conduct and other human resource policies that ensure non-discrimination and fair employment practices within its workforce. It is committed to hiring, evaluating, compensating, and promoting employees based on skills and performance, and not on any unlawful considerations. **PRIMEX** is also committed to providing equal opportunity to all employees and candidates for employment.

PRIMEX's Business Conduct Policy explicitly highlights key policies such as equal opportunity, harassment, discrimination, and ethical business practices.

PRIMEX also believes in working with business partners who demonstrate high standards of ethical business conduct. It expects suppliers and business partners whom it works with to be guided by the standards set forth in its Code. **PRIMEX** exercises good judgment in selecting suppliers and business partners. It does not knowingly use suppliers or partners who operate unethically or who violate applicable laws. It does not engage suppliers or partners who compete unfairly or use unfair business practices.

PRIMEX continues to prioritize working with diverse cultures. For projects outside of the Philippines, it works with local firms (i.e. Bangladeshi, Cambodian, Indonesian, Vietnamese) for the smooth and efficient delivery of consulting services, as only a national consulting company would have access to, and manage, the team of suitably qualified national consultants and be able to provide the necessary administrative and logistics backstopping required by the Consultant Team at all times. **PRIMEX** also negotiates and signs agreements, in the form of a Statement of Understanding, with all associates to seal its arrangements.

C. Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

PRIMEX is promoting greater industry environmental responsibility since 2009. The firm has worked closely with industry participants, local and foreign governments, and NGOs to identify and promote ways to increase environmental responsibility. It has conducted environmental assessment, and planned and implemented environmental management, biodiversity conservation measures, and climate change. These can be illustrated by the following recent projects:

- ***Biodiversity and Watersheds Improved for Stronger Economy and Ecosystems Resilience (B+WISER) Project: Midterm Performance Evaluation (AID-492-E-13-00004), Philippines***, September 2015 – January 2016 (**Sole Contractor**): Improvement of natural resource and environmental management by: (i) conserving biodiversity in forest areas; (ii) reducing forest degradation in targeted priority watersheds; (iii) building capacity to conserve biodiversity, managing forests, and supporting low emissions development; and (iv) contributing to disaster risk reduction (DRR) at the subnational level.
- ***Review of the Legal and Institutional Framework for Disaster Risk Reduction and Management (DRRM), Philippines***, April–December 2015 (Associate of FCG, New Zealand): Mainstreaming of *ex ante* disaster risk management in development, investment, and spatial planning; and monitoring of recovery and rehabilitation and the development of a disaster recovery framework.
- ***Regional Climate Projections Consortium and Data Facility in Asia and the Pacific (TA 8359-REG)***, February 2015 – August 2016 (Individual Consultant through PRIMEX): Consultation and assessment of needs for climate information and services, provision of climate scenario data products and user support services, thematic training on the analyses, interpretation and use of climate information and projections.
- ***Coastal and Marine Resources Management in the Coral Triangle: Southeast Asia (Indonesia, Malaysia, and the Philippines) (TA 7813-REG)***, July 2012 – August 2016 (**Lead Firm**): Regional vulnerability assessment of coastal and marine ecosystems and resources and climate change adaptation of coastal communities in the Sulawesi Seascape.
- ***Greater Mekong Subregion (GMS) Biodiversity Conservation Corridors Project, Lao PDR (Grant No. 0242-LAO [SF])***, June 2012–March 2019 (Joint Venture Partner of GITEC Consultants, Germany): Enhancement of trans-boundary cooperation for preventing and mitigating fragmentation of biodiversity rich forest landscapes of the Triborder Forest area in southern Lao PDR through its four Project outputs, which includes Corridor Reforestation and Protection and Management.

D. Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

PRIMEX has resolute anti-corruption policies and practices. It does not tolerate bribery or corruption of any kind within the firm or within its partner companies.

An Integrity Pact has been drawn with its associates since 2014 in full compliance with other laws other than that of the Philippines. This is to make sure that **PRIMEX** and its associates take all measures necessary to prevent corruption, collusion, and nepotism during any stage of its bids, making sure it follows a system that is fair, transparent, and free from any influence/unprejudiced dealings.