

## UN GLOBAL COMPACT INITIATIVES

### 2020 Communications on Progress Report

As one of the pioneer signatories in the Philippines and supporter of the UN Global Compact principles, Mabuhay Vinyl Corporation (MVC) continues to uphold its commitment to support initiatives of the UN Global Compact.

Mr. Steve S.C. Pangilinan, MVC President and Chief Operating Officer, reiterates the Company's support to further strengthen the UN Global principles through the Company's various programs and activities, as contained in the following Progress Reports / Updates for 2020:

Principles	Policies, Actions and Performance Indicators
<b>HUMAN RIGHTS</b>  <b>Principle 1:</b> Support and respect the protection of International Human Rights within MVC's sphere of influence	<p><i>In keeping with this principle, the following activities were undertaken:</i></p> <ul style="list-style-type: none"> <li>• Cash donation coursed through SEIPI for extending help to the communities affected by the Taal Volcano eruption</li> <li>• Donation of used HDPE drums to Bureau of Fire, LGUs and hospitals to be used as garbage bins</li> <li>• Donation of drum pumps to LGUs, BOF and PNP stations in Iligan</li> <li>• Donation of Sodium Hypochlorite (1,000 ppm) to LGUs, hospitals, schools and private companies in Iligan for their regular disinfection activities of facilities due to COVID19</li> <li>• Donation of respirator to Northern Mindanao Medical Center</li> <li>• Donation of 100 carboys of Sodium Hypochlorite to Caritas Manila in partnership with PBSP</li> <li>• Donation of Sodium Hypochlorite to employees and contractors in Iligan</li> <li>• Distribution of grocery packs to MVC Luzon Distribution 3<sup>rd</sup> party haulers' drivers and helpers as token of appreciation for their continuous service despite the threat of COVID19</li> <li>• Cash donation to support partnership program of PBSP to provide food supply to poor families and communities affected by the COVID19 pandemic</li> </ul>
<b>Principle 2:</b> Make sure MVC is not complicit in human rights abuses	<ul style="list-style-type: none"> <li>• Conducted Brigada Eskwela activities by donating thermal scanners, foot bath, portable sink, liquid soap dispensers, 1000 ppm Sodium Hypochlorite and siphon drum pumps to various schools in Iligan</li> <li>• Conducted feeding program for locally stranded individuals (LSI), returning residents and frontliners at COVID19 Isolation facilities in Iligan</li> <li>• Conducted a Bayanihan program to distribute 600 packs of relief goods to residents of Purok 13 of Timoga and Purok 1 &amp; 2 of Sitio Tonggo in Iligan affected by the COVID19 pandemic</li> <li>• Distribution of 36 packs of relief goods to displaced jeepney drivers who are not yet allowed to ply their route within Metro Manila in coordination with FEJODAP – South sector due to community quarantine mandated by government</li> <li>• Distributed bond papers to be used for printing of blended learning modules to DepEd – Bauan and Amadeo National High School</li> <li>• Donation of 20 reams of bond paper in support to Brigada Eskwela programs of Northern Mindanao Federation of Family Welfare Committees (NMFFWC) and DOLE</li> <li>• Cash donation to support PBSP program on donating food packs to affected families of Typhoon Quinta and Rolly in the Bicol region</li> <li>• Cash donation to support Caritas Manila program on donating food packs to affected families of Typhoon Ulysses in Cagayan valley</li> <li>• Distribution of school supplies to various student-beneficiary of Project Shoe Box program in Iligan City</li> <li>• Distribution of school supplies to eight (8) MVC Scholars who are residents of Purok 13 of Timoga, and Purok 1 and Purok 2 of Tonggo in Iligan.</li> <li>• Conducted Medical Mission: Free Clinic and giving of Vitamin-C to MVC contractor employees.</li> <li>• Distribution of medical supplies to Barangay San Miguel, Bauan Batangas in lieu of the usual medical mission since mass gatherings are prohibited</li> <li>• Conducted a "Pamaskong Handog" an annual activity with various communities as beneficiaries in Iligan City.</li> </ul>

<p><b>LABOR</b></p> <p><b>Principle 3:</b> Uphold the freedom of association and the effective recognition of the right to collective bargaining</p>	<ul style="list-style-type: none"> <li>Through the Industrial Peace Council and the Plant Central Safety Council in Iligan and the Council of Solidarity (COS) in Makati, MVC management and employees continually address issues and concerns, and collaborate in forging solutions on health and over-all plant safety concerns, employee and family welfare, solutions to work problems, and means towards process improvements.</li> <li>Employee complaints and grievances are addressed via the Company's established Grievance Procedures and bound by the Company's Handbook on Discipline.</li> <li>MVC supports the active participation of Union Officers in various labor-related organizations and activities such as DOLE, TIPPC, LMC-VAA, Inc., NCMB programs, etc.</li> </ul>
<p><b>Principle 4:</b> Elimination of all forms of forced and compulsory labor</p>	<ul style="list-style-type: none"> <li>Participated in the DOLE Assessment/ Compliance Audit. No Violation on General Labor Standards was given to MVC per Notice of Results.</li> </ul>
<p><b>Principle 5:</b> Effective abolition of child labor</p>	<ul style="list-style-type: none"> <li>Reinforced the policy and procedures on Recruitment and Placement with regard to child labor.</li> <li>MVC regularly inspects and ensures that contractors and suppliers do not engage in forced labor and hiring of minors.</li> </ul>
<p><b>Principle 6:</b> Elimination of discrimination in respect of employment and occupation</p>	<ul style="list-style-type: none"> <li>MVC ensures that individuals are not being discriminated nor treated any less favorably because of a 'protected characteristic':- age, disability, marital or civil partner status, pregnancy or maternity, race, (including color, nationality and ethnic or national origins) religion or belief, gender or sexual orientation.</li> <li>Job opportunities are circulated as widely as reasonably possible and recruitment advertisements do not use wording that implies a preference against any one of the above mentioned protected characteristics.</li> <li>Health Talk and Awareness Information Drive on HIV/AIDS, Pulmonary Tuberculosis, Hepatitis B, and Lifestyle diseases were conducted with emphasis on non-discrimination policy in the workplace.</li> </ul>
<p><b>ENVIRONMENT</b> <b>Principle 7:</b> Support a precautionary approach to environmental challenges</p>	<ul style="list-style-type: none"> <li>Donation of used HDPE drums to TESDA and Mandela Care Women for Organic farming projects in Iligan</li> <li>Disaster/ emergency preparedness drills were conducted as precautionary approach to environmental challenges</li> </ul>
<p><b>Principle 8:</b> Undertake initiatives to promote greater environmental responsibility</p> <p><b>Principle 9:</b> Encourage the development and diffusion of environmentally friendly technology</p>	<ul style="list-style-type: none"> <li>The Iligan Plant and Mabuhay Premium Bleach Plant's (MPBP) Environmental Management System were certified as compliant to ISO 14001:2015 by TUV-SUD as well as the issuance of certificates were recommended by TUV-SUD for the Corporate Quality Management System and Iligan Plant's Occupational Safety and Health Management Systems.</li> <li>Implements environmentally-aligned programs such as a No Plastic Policy Program in the canteen.</li> <li>"Lakbay Linis "(Company-wide Clean-up Campaign) was sustained every quarter as part of MVC's Good Housekeeping (GH) program to promote environmental responsibility among employees and contractors. The program included GH &amp; safety audits in all plant areas.</li> </ul>
<p><b>ANTI-CORRUPTION</b></p> <p><b>Principle 10:</b> Work against corruption in all its forms, including extortion and bribery</p>	<ul style="list-style-type: none"> <li>MVC's Code of Business Conduct provides that every employee is expected to faithfully comply with and perform his tasks and shall not allow himself to be placed in a situation that will cast doubt upon his loyalty to the company or invite any opportunity to compromise his fidelity.</li> <li>Contracts and Purchase Orders entered into by MVC contain a provision on anti-corruption. Suppliers and contractors warrant that no consideration or compensation was offered to any MVC employee, nor did he/she exert any corrupt or unlawful influence to secure the purchase order or contract; and that he/she will comply with government laws and regulations in the conduct of business.</li> </ul>