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. Edwin U. Umal, MVC President and Chief Operating Officer, reiterates the Company’s support to further strengthen the UN Global Compact principles through the Company’s various programs and activities, as contained in the following Progress Reports / Updates for 2016:

**Principles:**

**HUMAN RIGHTS**

**Principle 1:** Support and respect the protection of International Human Rights within MVC’s sphere of influence.

In keeping with this principle, the following activities were undertaken:

- Supported “Awakening Bunun” on January 30, 2016 through clean-up and beautification activities at the Ako River in Iligan City.
- Conducted Mobile Blood Donation on April 8, 2016.
- Facilitated a “My Voluntary Contribution” campaign for Brigadas Eskwela 2016 and the Philicorp Business for Social Progress (PBSP) Fish Stockouts and Kidney Campaign both in Luzon and Igar.
- Organized a Brigadas Eskwela activity at the Millennium Day Care Center on May 7, 2016 and at the Padre Memorial Elementary School on May 14, 2016.
- Conducted a Medical Mission on May 29, 2016 at Timoga, Bunun and on June 6, 2016 at Tanggo, Bunun, Iligan City.
- Celebrated the culmination of Flores de Mayo at Torgo, Bunun, Iligan City on June 1, 2016.
- Participated in PBSP’s Bridge Day (Knife Painting Activity) on June 4, 2016 at the barangay in Iligan Elementary School in Barao Compound, Iligan City.
- Conducted Brigadas Eskwela (School Supplies Donation) at the Baun Day Care Center in Baguig, San Miguel, Bauan, Batangas on June 24, 2016.
- Donated habitat, chairs, table, and airbrush to the Millennium and Punch 13 Day Care Centers. Celebrated the blessing of the Millennium Day Care Center in time for the school opening.

**Principle 2:** Make sure MVC is not complicit in human rights abuses.

- Donated waste segregation plastic drums to Iligan City National High School. Also donated used drums to Iligan City Special Project Office and to Iligan Jogging Track for their Solid Waste Management Program.
- As part of its Anniversary Celebrations, MVC conducted an outreach activity on August 27, 2016 at the Haven for Children in Atok, Benguet. The Haven is the national center for street children recovering from substance abuse with 98 boys ages 7-14 yrs old. MVC employees volunteered their time by providing fun games and entertainment to the children.
- Launched an Obesity Remediation and Awareness (OYRA) and Run for Rally on Sept. 14, 2016. 1200 employees joined the Run for a Cause organized by TOSHBA on September 24, 2016 at the Uptown Technopark.
- Health Talk on Proper Diet & Nutrition and Breast Cancer Awareness Lecture was conducted on October 20, 2016.
- Free Fasting Blood Sugar (FBS) and Blood Urea Nitrogen (BUN) testing on October 27, 2016.
- Conducted a Medical and Dental Mission on November 18, 2016 in Barangay San Miguel, Bauan, Batangas. Up to 200 residents of Barangay San Miguel received free checkups; consultation and medicines while more than 100 children received free dental check-ups, fluoride treatment, and dental kits.
- Conducted a feeding activity at Punch 13, Timoga, Iligan City on November 19, 2016.
- Conducted a “Tamaaing Handang” activity for children from Punch 1 and Punch from Punch 13, Timoga, Iligan City.

**LABOR**

**Principle 3:** Uphold the freedom of association and the effective recognition of the rights of collective bargaining.

- Through the Industrial Peace Council and the Plant Control Safety Council in Iligan and the Council of Solidarity (COS) in Marikina, MVC management and employees continuously address issues and concerns, and collaborate in forging solutions on health and overall job safety concerns, employee and family welfare, solutions to work problems, and moves towards process improvements.
- Employee complaints and grievances are addressed via the Company’s established Grievance Procedures and guided by the Company’s Handbook on Discipline.
- MVC supports the active participation of Union Officers in various labor-related organizations and activities such as DOLE, TPC, (MCCA, Inc.), NCMR programs, etc.

**Principle 4:** Elimination of all forms of forced and compulsory labor.

- Participated in the DOLE Assessment / Compliance Audit. No Violation on General Labor Standards was given to MVC per Notice of Results.

**Principle 5:** Effective abolition of child labor.

- Reinforced the policy and procedures on Recruitment and Placement with regard to child labor.
- MVC regularly inspects and ensures that contractors and suppliers do not engage in forced labor and hiring practices.

**Principle 6:** Elimination of discrimination in respect of employment and occupation.

- MVC ensures that individuals are not being discriminated against for any reason.
- Employees are not subjected to any form of harassment.
- Legal and policy requirements of the Equal Employment Opportunity Commission (EEOC) are diligently followed.

**ENVIRONMENT**

**Principle 7:** Support a precautionary approach to environmental challenges.

- Earth Day Celebration in MVC Luzon was conducted on April 9, 2016 through a photography contest participated by employees who joined the company outing. Awarding of the winners was then twined on April 25, 2016.
- Conducted a coastal clean-up and mangrove planting at Punch 13, Balangay Timoga.
- Conducted a clean-up of spring water source at Punch 13, Barangay Timoga.
- Conducted a Mangrove Planting Activity at Mangrove Island in coordination with POCH in August 10, 2016.
- Conducted a Mangrove Planting activity in Punch 13 was conducted on November 30, 2016 with 300 seedlings were planted by employee volunteers.
- In celebration of the International Coastal Clean-up, MVC Igar participated in the Coastal Clean-up at Punch 13 on September 26, 2016.
- Organized a Tree Planting Activity at the Lpa Dam Watershed on October 22, 2016 in partnership with Maynilad Water Services where a total of 200 seedlings were planted.
- Conducted a climate change awareness campaign to make MVC employees aware on how climate change becomes the world’s primary environmental threat today.
- Disaster / emergency preparedness drills were conducted as precautionary approach to environmental challenges.

**Principle 8:** Undertake initiatives to promote greater environmental responsibility.

- The Mabuhay Premium Beach Plant (MPBP) Environmental Management System was certified as compliant to ISO 14001:2004 by TUV-SUD while maintenance of certifications was recommended by TUV-SUD for the Corporate Quality Management System and Igar Plant’s Integrated Quality, Environment and Occupational Safety and Health Management Systems.

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

- Implement environmentally-aligned programs such as the No Plastic Policy Program in the canteen.
- "Lalagay Unli Kush" Company-wide Clean-up Campaign is sustained every quarter as part of MVC’s Good Housekeeping (GHK) program to promote environmental responsibility among employees and contractors. The program includes GH & safety audits at all plant areas.

**ANTI-CORRUPTION**

- 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 cause doubt upon his loyalty to the company or invite any opportunity to compromise his fidelity.
- Contracts and Purchase Orders entered into by MVC contain a provision on anti-corruption. Suppliers and contractors further undertook to cooperate with the Company’s anti-corruption program.
- The Company shall take any action it deems appropriate if it deems it necessary to ban any purchase or authorize the purchase of from any MVC employees, nor will it bear any expense or incur any expense if any sale or contract is entered into. In case of any purchase order, the Company shall take any action it deems necessary to ban any purchase or authorize the purchase of from any MVC employees, nor will it bear any expense or incur any expense.