



# San Miguel Aerocity Inc

## Human Rights Statement of Commitment

### Statement

Respect for human rights is core to San Miguel Aerocity Inc.'s (SMAI) and San Miguel Corporation's business operations and our corporate values. Respect for human rights is also fundamental to our sustainability as a business and the sustainability of the communities in which we operate. We are committed to respecting human rights during the development and operation of the New Manila International Airport (the "Project"). In line with international best practice and the values of San Miguel Corporation, our parent company, SMAI respects the interests of the people and communities we impact, acting with honesty, fairness and integrity to be a positive force in communities.

### Human rights approach

SMAI is committed to observing the highest standards of business ethics and integrity, including support for the United Nations Guiding Principles on Business and Human Rights. Our approach is guided by internationally recognised human rights principles drawn from the International Bill of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Finance Corporation's Performance Standards on environmental and social sustainability.

### Our contractors', suppliers' and partners' responsibilities

SMAI works with and encourages all employees on the Project from its contractors (including temporary workers), suppliers and business partners to respect and promote human rights through this statement and the Supplier Code of Conduct, which establishes the fundamental principles that all suppliers should respect when carrying out their business activities, in so far as SMAI has management control. Where our influence is necessarily limited, we will exercise the leverage available to us to encourage compliance with this Statement of Commitment.

### Implementation

This Statement of Commitment provides high level direction for project staff and operations in relation to SMAI's human rights commitments and responsibilities.

In order to implement this commitment to human rights in recognition of the international standards, SMAI has developed this human rights management plan which sets out how the Project will operationalise its commitment to respecting human rights. This plan is aligned with the Project's environmental and social management plans. These are supported by more detailed policies, monitoring and reporting systems, accountability mechanisms and other activities. The intention is to identify, prevent, mitigate and where appropriate, remediate potential adverse human rights impacts caused by, contributed to, or directly linked to the Project.

These measures include:

- Appropriate governance mechanisms in place to oversee the management of human rights risks and impacts through the established Project impact management working group and steering committee.
- Effective, ongoing and informed stakeholder engagement with affected or potentially affected communities around this Statement to determine the extent of risks and impacts identified via the Project environmental and social impact assessments (ESIAs) and human rights impact assessments (HRIAs).
- Robust engagement with workers, contractors, suppliers and external stakeholders to identify potential emerging human rights risks in order to identify appropriate measures to address these.

- Active and ongoing communication of our commitment to human rights and this Statement to Project employees, contractors, suppliers and affected communities, including awareness raising, training and capacity building.
- Robust and effective internal and external grievance mechanisms and access to remedy processes that are equipped to address human rights issues. These act to identify and assist individuals or groups if their human rights are contravened by Project activity / impacts.
- Regular monitoring and reporting on human rights risks, such as workers' rights or resettlement impacts and significant livelihood impacts, to prevent and identify any violations.
- A commitment to urgently investigate any credible allegations of human rights abuse and take action as appropriate, including remediation, mitigation of repeat violations and referral to the relevant authorities.

SMAI believes the Project can and should benefit local communities as well as people in the wider region of the Philippines. It is also recognized that the Project poses risks to human rights, social outcomes and the environment.

A series of principles have been established for the Project to implement and manage the salient human rights risks and impacts identified to date via the HRIA process:

| Salient risks and impacts                                                                                                 | Project principles and key actions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Economic and physical displacement of people by the Project</b>                                                        | <p>Support the right to sustainable livelihoods by working to restore livelihoods affected by land acquisition, Project activities or resettlement via resettlement action plans and livelihood restoration plans</p> <p>Monitor implementation of resettlement and livelihoods plans</p>                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Risks to labour rights and safety of project workers throughout the supply chain during construction and operation</b> | <p>Comply with and observe the laws and regulations on compulsory or forced labor and child labor</p> <p>Comply with and observe the laws and regulations on providing a safe, healthy and secure workplace, free of discrimination with the rights to equality, fair remuneration, collective bargaining and freedom of association</p> <p>Promote diversity and equality within the workforce and through our supply chains</p> <p>Develop and implement a labor management system to uphold labor rights across the project including worker grievance mechanism, employment and recruitment plan and accommodation plan</p> <p>Carry out monitoring of labor rights issues</p> |
| <b>Performance of those responsible for security</b>                                                                      | <p>Keep staff and facilities safe while respecting the human rights and security of local communities.</p> <p>Security threats will be carefully assessed and we will work with governments and partners to mitigate negative consequences. We will align our security provisions with the Voluntary Principles on Security and Human Rights and provide training to security employees and contractors and on human rights and appropriate use of force.</p> <p>Develop, implement and monitor a project security management plan</p>                                                                                                                                             |
| <b>Ability of vulnerable groups to remain engaged</b>                                                                     | <p>Enable inclusive engagement and participation of women and other vulnerable groups through stakeholder engagement and consultation activities</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

| Salient risks and impacts                                                           | Project principles and key actions                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                     | <p>Respect the rights of the communities in which the Project is located and actively engage with all local stakeholders including those considered vulnerable</p> <p>Develop, implement and monitor a stakeholder engagement plan</p>                                                                                                                                            |
| <b>Potential for loss of sensitive personal data</b>                                | <p>Respect the right to privacy by protecting the personal information we hold as outlined in our Privacy Statement</p> <p>Monitor implementation of our Privacy Statement</p>                                                                                                                                                                                                    |
| <b>Risks at international borders for migrants and victims of human trafficking</b> | <p>Recognize the critical role airports play in the fight to suppress human trafficking activity through collaboration with government departments and the airport community</p> <p>Develop, implement and monitor a community health and safety plan and security management plan</p>                                                                                            |
| <b>Availability of essential services to airport users and detainees</b>            | <p>Collaborate to make human rights central to the governance processes for the operation of the airport as an international border by making necessary services and provisions available to irregular migrants in coordination with the concerned government agencies</p> <p>Develop, implement and monitor a community health and safety plan and security management plan</p>  |
| <b>Availability of mechanisms for remedy</b>                                        | <p>Provide access to remedy for impacted stakeholders through SMC's whistleblowing policy, and the establishment of public-facing and worker grievance mechanisms to enable stakeholders to have a means to voice their concerns, needs and rights, and to seek remedy.</p> <p>Monitor and continually improve implementation of grievance mechanisms and provision of remedy</p> |
| <b>Access to sites of cultural significance</b>                                     | <p>Compensate where cultural heritage is affected by the Project and identify alternative cultural sites in coordination with the concerned government agencies</p> <p>Monitor implementation of actions to the satisfaction of affected communities</p>                                                                                                                          |
| <b>Emergence of human rights risks throughout project implementation</b>            | <p>Implement a series of governance mechanisms to enable ongoing identification and recognition of human and labor rights risks and impacts</p> <p>Provision of remedy for newly emerging human rights risks and impacts</p> <p>Continual monitoring, and improvement where necessary, of project plans and systems</p>                                                           |

## Governance

This human rights Statement of Commitment has been developed and approved by SMAI's senior management. This Statement applies to all employees (whether permanent, temporary or contract staff). A steering committee provides oversight and direction while our working group drawn from across relevant departments has primary responsibility for implementation. The overall responsibility is with the SMAI Board of Directors.



At all times, SMAI will comply with the applicable laws of the Philippines. In situations where there is a discrepancy between domestic laws and human rights commitments, we will aim to uphold the highest standards, consistent with the values expressed in this Statement. Channels are available for the reporting of any alleged human rights infringement. All concerns, complaints or breaches will be taken seriously and recorded, assessed and investigated or referred to external authorities to investigate, if appropriate. If an investigation concludes that prohibited conduct has occurred, appropriate action will be taken.

SMAI will review this Statement of Commitment annually to reflect on the outcomes of our ongoing review processes and emerging best practice.

Signed:

Director, SMAI