**TO: Alysha Khambay & Thulsi Narayanasamy – Business & Human Rights Resource Centre**

**FROM: Brent Wilton, Global Director Workplace Rights**

**DATE: July 6, 2020**

**SUBJECT: Response to Allegations of attacks on unions in the Philippines**

The IUF’s allegations made against the Philippines Coca-Cola Philippines Inc. (CCBPI) management team in the IUF posting on July 15 which you reference in your initial email is inaccurate at best, if not intentionally misleading. The accusation of abusing the national health emergency to attack and restrict trade union rights is completely false and opposite to the Philippines Coca-Cola Bottling Inc. (CCBPI) actual response to COVID 19 and the support of all its employees.

First and foremost, we think it is important to continue to draw the following distinction -- the matters raised by the IUF (termination of employment) are local labor relations matters. Thus, the matters have been steered through the collective bargaining dispute resolution machinery of the appropriate collective agreement.  The three individuals are being afforded due process as the matters are also currently being reviewed by the Department of Labor and Employment. (DOLE) The review and resolution of these matters is being handled through the appropriate and normal due diligence forum and methodologies.

It is also important to know CCBPI has more than 10,000 employees. Over 6000 of those employees are trade union members, represented by 53 different trade unions all covered by separate collective agreements. These collective agreements are routinely re-negotiated without labor disruption- a clear indicator that the CCBPI respects employees right to freedom of association and collective bargaining.

The CCBPI leadership team, from the very beginning of the pandemic, has been very deliberate on ensuring the right protocols and safety procedures are in place to protect all employees. Please see the attached documents which outlines CCBPI efforts in that regard. Please note CCBPI has received positive Inspection/Monitoring Reports from the City Health Office, City of San Fernando, Pampanga, among others, as well as having received positive feedback from many groups of employees and the community at large for its support during these unprecedented times. Some of these letters of appreciation are from local unions and signed by many union officers.

The allegation of utilizing the health crisis to attack trade union rights is offensive and misplaced. To be direct, this one union (FCCU) and its leaders attempted to extort money, using the pandemic to leverage the Company. Attached is the FCCU Union Presidents March 26th letter to the CCBPI Plant Manager in San Fernando. The Union Presidents letter states: “The following demands should be processed the soonest possible time….”

Contrary to claims that the Company did not respond, the Company held a Town Hall meeting on site on March 26th to address the unions letter and inform all employees of the safety protocols and PPE measures which were in place. Not only did the Plant Manager hold an informational meeting in response to the union letter, he also responded by letter to the Union President the following day, March 27th. (see attached) The Plant Manager outlined some of the benefits and support CCBPI was providing to its employees. At that time CCBPI ensured all employees were receiving wages, advanced a premium payment, increased pay for certain positions, and implemented a shuttle program for some employees. This was all in addition to the strict safety and health protocols such as PPE, sanitation, vitamin C, and as necessary safe accommodations and meals.

Notwithstanding communications by the CCBPI Plant Manager on March 26th and 27th the Union President and other Union officers held a meeting in the San Fernando facility on March 28th and urged employees not to report for work. Essentially fomenting a strike. The Unions intent was to shut down the operation until the Company acceded to its financial demands. The Company was informed of the meeting by employee/union members who raised complaints of intimidation and threats of reprisal of members for not following Union instructions. Employees verified these claims in conversations with the San Fernando managers and offered Facebook postings and employee statements.

As stated above, the three discharged employees have been afforded due process. Prior to the finalization of the employment decision the employees participated in meetings with CCBPI and had the opportunity to respond to the allegations, review information the San Fernando management team had received, and explain their actions. Based upon the collective evidence and information received CCBPI made the decisions it deemed appropriate and justified by the facts. As stated above, these employment matters remain in process with DOLE.

In May, CCBPI General Manager, Gareth McGeown received a letter from, Brendo Enriquez. Based upon the letters content, local plant management scheduled a meeting to speak with Mr. Enriquez. CCBPI first explained to Mr. Enriquez its concerns with the false allegations, and also appreciated his point of view. Mr. Enriquez employment was not terminated.

And lastly on June 9, 2020, a group of employees were demonstrating in front of the San Fernando facility. These employees were arrested for violating the city’s COVID 19 ordinances and social distancing guidelines. These employees did not violate Company rules and were not challenged by the Company. In fact, the Company provided meals to those employees who had been detained by the police during the time they were in police custody.

It is unfortunate that local labor relations matters and a pandemic are being utilized by one union local and the IUF as a vehicle to further false narratives of supposed anti-union sentiment in an attempt by the IUF to leverage the Company on unrelated decisions with other independent bottling operations.

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