

## PRESS RELEASE

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### **Axelum formalizes Environmental, Social and Governance (ESG) platform**

Axelum Resources, the country's leading fully-integrated manufacturer and exporter of world-class coconut products, has formally unveiled its sustainability thrust.

“Aligned with our founding beliefs, the principle of sustainability is deeply rooted in everything that we do. To further espouse this mindset, barely into our first year as a listed-entity, we decided to publish our maiden sustainability report which outlines most of our related efforts since 1986,” stated Mr. Romeo I. Chan, Chairman and Chief Executive Officer of Axelum Resources Corp.

This report carries the seal of the Global Reporting Initiative, the international benchmark of sustainability reporting, including detailed contributions to the United Nations Sustainable Development Goals.

From an environmental standpoint, Axelum employs a business model that allows for the entire use of its primary input, the coconut. The white coconut meat and coconut water are extracted and manufactured into sellable products, while coconut shells are utilized as feedstock to fuel boilers that produce culinary steam essential in the manufacturing process. This translates to nearly-zero waste generated from the processing of raw materials thus reducing the risks posed by hazardous elements and pollutant emissions. In addition, the company re-uses more than 86,000 cubic meters of water with approximately 9% of treated wastewater recycled. As a pioneering initiative, Axelum established the first Tetra Pak packaging materials recycling plant in Visayas and Mindanao. This facility is designed to convert used packaging materials into chipboards, which can be re-purposed as an alternative to plywood for indoor construction components such as wall and ceiling panels. To date, the company has produced over 2,000 pieces of regularly-sized chipboards. In addition, unused and expired Tetra Pak packaging materials are also transformed into fashionable bags, table trays and other usable items including sleeping mats, which are distributed in various evacuation centers in the event of natural calamities.

On the social front, through its civic arms Medina Development Foundation and newly-instituted AMDG Foundation, Axelum has centered its social programs on education, livelihood, health and spiritual formation. To aid poverty alleviation, the company has granted academic scholarships to more than 500 eligible students, paving the way to a college degree and ultimately a brighter future. While school renovations were hampered by the prevailing pandemic, Axelum remains committed to repair dilapidated classrooms to enhance the safety and learning environment of students.

In terms of livelihood, Axelum maintains a 15-hectare organic demo-farm where local farmer associations are trained using the latest agricultural technology in organic farming to cultivate a variety of fruits and vegetable crops to augment their household income. Stemming from its FAIRTRADE program, this initiative also includes conducting educational courses that focus on bearing high-value organic products. On the other hand, the company extends financial assistance and organic animal feeds produced from the organic farm to hog and poultry raisers. Presently, Axelum continues to distribute coconut and other assorted seedlings to local farmers to encourage agriculture as a viable alternative source of living.

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Health-wise, Axelum Resources, through its AMDG Foundation, is currently constructing the San Isidro Polymedic General Hospital, a 100-bed secondary-tier medical center equipped with a hemodialysis center, extended laboratory capabilities and an intensive care unit, located in Barangay San Luis, Gingoog City, Misamis Oriental. This project aims to address the urgent need for proper health facilities primarily to serve the indigent population in the area. Income generated from this venture will be utilized to subsidize medical treatment for financially-challenged patients. The hospital will be managed by the reputable Cagayan de Oro Polymedic Medical Group.

“Despite the on-going pandemic, our commitment to serve our host communities remains undeterred. This project is being undertaken without any commercial aspirations. Our mission is to provide professional, quality and affordable healthcare services to neighboring residents including indigent patients,” added Mr. Chan.

With regards to spiritual formation, Axelum actively participates and organizes religious events to encourage people to strengthen one’s faith and moral being. Some of these initiatives include holding annual retreats for employees, Eucharistic celebrations during corporate events and morning paraliturgical readings at the beginning of every work day. Further, Axelum supports the yearly staging of the “Hinuklog” or the passion of Christ play in the Municipality of Medina, where it has become a popular regional destination event during Holy Week in Mindanao.

Moreover, Axelum is engaged with around 3,000 farms, distributed across several locally-clustered farming groups, that are FAIRTRADE and organic-accredited by the United States Department of Agriculture (USDA), European Union (EU) and Japanese Agricultural Standards (JAS). Axelum is actively involved in the development of livelihood and other related programs intended to uplift our farmer beneficiaries through proceeds generated from the sale of FAIRTRADE-certified coconut products.

“We consider Filipino coconut farmers as our most valuable business partner and are willing to go beyond the norm to ensure their welfare. Axelum was born not solely for the purpose of economic gains, but more importantly, to act as a beacon of opportunity and hope for others,” concluded Mr. Chan.

Axelum’s 2019 Sustainability Report may be viewed and downloaded at <https://www.axelum.ph>.

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