

**HOPE**  
BUSINESS FOR GOOD.

**A YEAR WITH HOPE**

*2020 Impact Report*





We are part of a community of companies all over the world with one unifying goal: to use Business for Good. We meet rigorous standards of performance, accountability, and transparency, using the power of business to alleviate poverty, address climate change, and build strong local communities, as well as great places to work.

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“We should not aim to go back to normal.

**We need to do better. Business as usual didn't work.**

It failed us. This pandemic showed us how vulnerable the world can be. But it

also showed us how **we can really work together on the most important issues that impact us all.**”



Guno, N. (2020, November 19). Nanette Medved-Po on what she learned from showbiz: 'Don't waste your platform'. Inquirer.net

## Letter from our Founder

The past year has truly been like no other. 2020 saw the Philippines begin the year with a volcanic eruption, end with one of the strongest typhoons in history, and battle a global pandemic in between - the likes of which had not been seen during our lifetimes. It laid bare the systemic failures of our progress and brought many to their economic, social and political brinks.

But among all this despair there were incredible stories of hope, resilience, cooperation and triumph. We saw how normally siloed groups came together to reinforce one another and to aid those who were most vulnerable. At HOPE we had a front row seat to see what is normally the good side of people become the great side. The everyday hero - rising to their potential. Whether it was the frontliners who bravely battled fear, despondence, exhaustion and a lack of resources, or the poor aging farmer who offered to donate part of his land to build a school that would shelter and educate the children in his community, or the businesses who pledged to clean up their plastic waste to achieve neutrality and ensure a safer cleaner planet - we witnessed, day after day, the better angels of our nature prevail.

Thank you for the privilege of allowing us to be part of your journeys and to witness the possibilities of our collective spirit. We believe now, more than ever, in our power to come together to address those important issues which impact us all. As we look to 2021, we are hopeful that the valuable lessons of the past year will carry forward and guide us, not back to normal - but onwards, to better.

With HOPE,

*Nanette*



 Nanette Medved - Po  
Chairperson & Founder





### Democratizing Investments in Social Good

HOPE was founded in 2012 with one Mission: to provide Filipinos with an easy way to vote with their peso about what was important to them. As an Impact Company, and the country's 1st B Corp\*, we put Education at the forefront of our movement, building much needed public school classrooms through the sale of Hope in Bottle water. In 2016, we branched out into Agriculture interventions which would help secure the livelihood for thousands of smallholder farmers through the Hope in a Coconut campaign in partnership with the world's leading coconut water brands. Most recently in 2019, we created the Plastic Credit Exchange which works with game changing companies to sustainably neutralize their plastic footprints to promote Environmentally responsible consumption and to make sure that we are working towards a safer, cleaner planet. All of these efforts come together to deliver on what we at HOPE promise – a movement leveraging the power of people to achieve great things Together. Business for Good.

We've delivered HOPE to over 500,000 Filipinos.

#### EDUCATION



103

Classroom Builds



19,615

Students Impacted



P67,138,402

Community Education Investments



#### AGRICULTURE



10,395

Farmers Reached



76,125

Seedlings Distributed



123%

Increase in Income from 2017 Baseline



#### ENVIRONMENT



14,316,430 kg

Plastic Waste Diverted from Nature and Landfills



24,381.69 tons

Carbon Sequestered from Tree Planting and Coal Replacement



P64,423,935

Incremental Income to Communities



#### RELIEF



P2,117,937

Raised by the HOPE Community



318,464

Bottles of safe drinking water delivered to support disaster victims



< 3 days

Disaster Response Rate





# EDUCATION



83% of Filipino students rely on public schools. They are lacking 34,000 classrooms for over 1.5 million students.

A recent study by the OECD found that the Philippines ranks among the lowest of 79 participating countries in math, science and reading. This means that the nation will progress less than the generations before it if we do not act now to address the factors that maximize the Filipino potential.

It is estimated that for every \$1 invested in education the return is an increase of up to \$15 to GDP. This is especially true for girls, where each additional school year could increase her annual earnings by as much as 20%. Providing the infrastructure needed to deliver quality education to our children could spell the difference between the current downward trend - or the upward mobility needed to ensure them and their families of a better, more secure future.

We work with the Department of Education and underserved communities across the Philippines to build new durable and welcoming public school classrooms, no matter how remotely located they are.



## Our Partners



## Our Education Impact

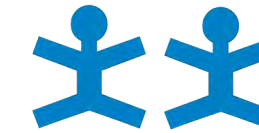


103

Classroom Builds

10 Ongoing Builds

93 Completed Builds



19,615

Students Impacted



P67,138,402

Community Education Investments



103,040 hrs

Skills Transferred

Hours of skills transferred to local workers, providing them with higher income potential beyond the build



55%

Increase In Enrollment

(SY 2019-2020 vs. SY 2020-2021)



28%

Increase In # of Indigenous People Enrolled

(SY 2019-2020 vs. SY 2020-2021)





## 100th Classroom Built During COVID-19 Pandemic

Bagong Silang High School in Sitiong Bagong Silang, General Santos City is an Indigenous People School that educates members of both the B'laan and T'boli tribes. Its creation was made possible through the unlikely donation of land by a smallholder farmer in the community. Mr. Abel offered to support the establishment of a school even as his income is only P40,000 per year. HOPE built the first 2 classrooms during the pandemic that is expected to serve almost 100 students when classes are allowed to resume. Prior to the building of this school, students had to hike two hours daily, over 14 kilometers, just to attend their classes.

"The children will no longer have difficulty in going to school. They finally have their own classroom and they will no longer have to borrow one from the Elementary School nearby."

- Mr. Abel Saguil on why donating his land is important to him



## The Classrooms that Built a Village

Colot S. Aligado Indigenous People's High School was so remote that it took 2 to 3 hours, one way by foot, for students to reach their classes. To ease the commute, a makeshift hut was built so they could sleep on site throughout the week and only make the journey home on weekends. But with no running water, electricity and limited access to food, attendance was irregular. These were the lengths these families had to go through to try and get their children an education.

In 2019, with the help of our partner Vita Coco, 2 brand new concrete classrooms were built complete with toilets, a water catchment system, and solar panels for electricity. In order to manage the hard mountain terrain, the military volunteered to shuttle supplies from town and even build additional bathrooms and washbasins for the children.

Since then, enrollment has tripled and 40 families of enrolled children have built their homes - and a church - around the classrooms. In the evening, they gather in the classrooms to study and hold meetings as it is currently the only structure with light.



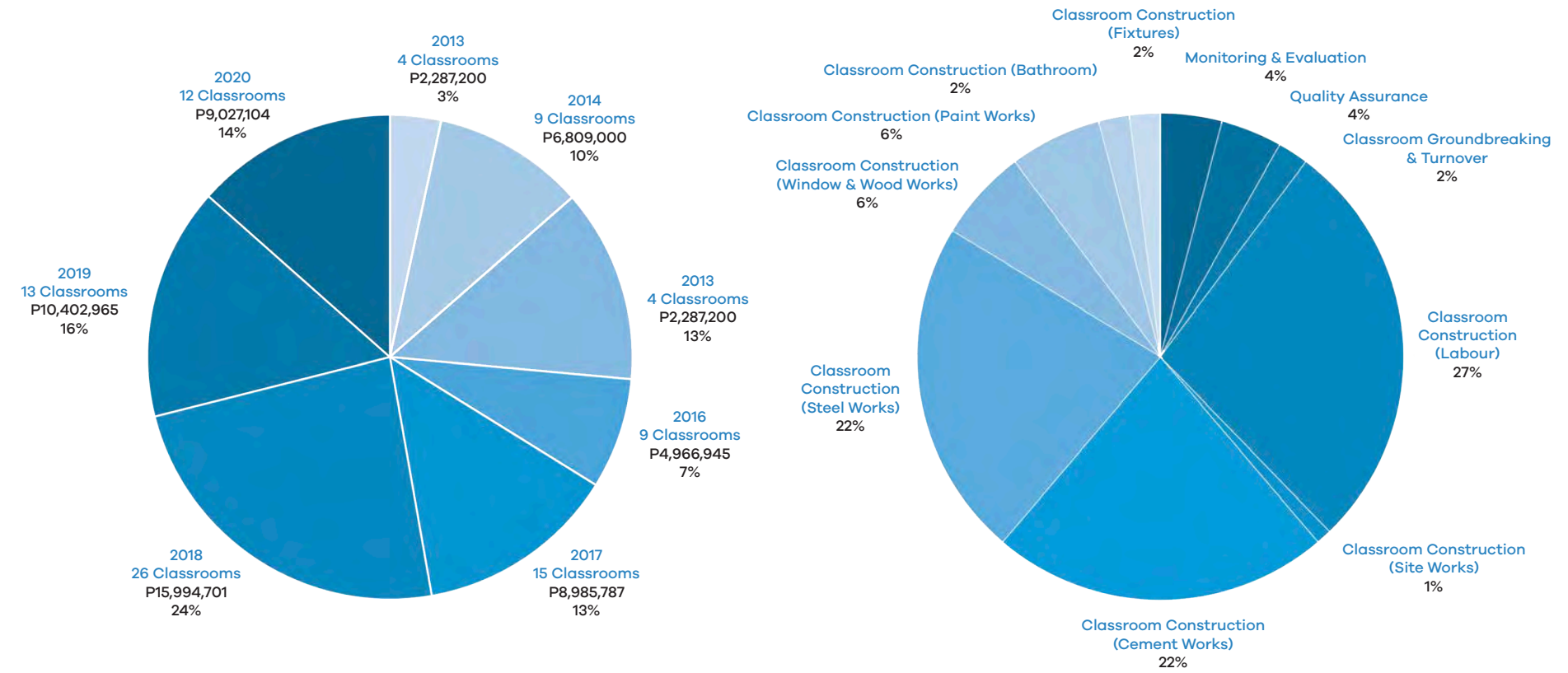




## Rebuilding with the Military

Sugod Central Elementary was the closest school to ground zero in the war with ISIS in Marawi that ended in 2017. After the conflict ended, many of the students from surrounding schools that were destroyed sought enrollment at Sugod which did not have enough classrooms to accommodate the influx of new students. HOPE responded to this request for help by working with 7-Eleven and the Philippine Army, who was eager to participate in rehabilitation efforts. In 2020, we broke ground on a 2 story- 4 classroom structure that will hold the Grade 1 & 2 students for the upcoming school year. The military is not only providing the labor for this build, but also the expertise of their core of engineers, and the security needed to ensure the safety at the school.

## Allocation of Funds



Education Program Cost By Year

Education Program Allocation of Funds



## Our Partners



CENTURY PACIFIC  
AGRICULTURAL  
VENTURES, INC.



Philippine  
Coconut  
Authority



# AGRICULTURE

30% of families in the Philippines rely directly or indirectly on coconut farming. As of 2020, 20+% of coconut trees have become senile and approximately 60% of smallholder coconut farmers live below the poverty line.

The global coconut market is booming and the Philippines has been its leading exporter despite having the lowest yields among the top producers. Poor investment, productivity and returns is locking farmers into a vicious cycle that threatens the sustainability of this livelihood. In order for the Philippines to maintain its position in the market and support the families that rely on coconut, we would need to increase production by at least 50% over the next 10 years.

In partnership with the Department of Agriculture's Philippine Coconut Authority, we execute interventions such as seedling breeding and replanting programs, intercropping packages and technical training, market linkages and micro entrepreneurship opportunities to help improve incomes for thousands of smallholder coconut farmers in the southern Philippines.



# Our Agriculture Impact

## TRAINING



Improved farmer skills by providing training in end-to-end coconut and intercrop production.

10,395

Total Farmers Reached

307\*

Farmers Reached in 2020

\*Due to Covid-19, large training events could not be carried out.

## REPLANTING



Built capacity by distributing high quality coconut and intercrop certified variety seedlings for free to smallholder farmers replacing senile trees and populating unproductive land.

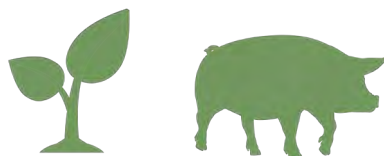
76,125

Total Seedlings Distributed

28,353

Seedlings Distributed in 2020

## INTERCROPPING + LIVESTOCK



Additional farmer income generated by introducing high value or cash crops in between existing trees plus livestock.

585%

Total Increase from 2017 Baseline

17%

Increase in 2020

## MICROENTREPRENEURSHIP



Increased supply and income opportunities for local community.

P59,880

2020 Total

In 2020, we also began sourcing farm supplies directly from our partner farmers in order to not only increase their incomes but also to build capacity within the communities. This has provided easy access for neighboring families to buy inputs like livestock, vermiculture, seedlings and produce more cheaply and conveniently. We expect to see a steady ramp up of impact in this area in 2021 as more partner farmers interventions come on line.

## MARKET ACCESS



Helped farmers access demand and higher pricing through CocoUber\*

734,075<sub>kg</sub>

Total from 2018

85,256<sub>kg</sub>

2020 Total

\*CocoUber is a HOPE intervention where smallholder farmers coordinate their harvests to achieve logistics efficiencies so manufacturing partners can pick up nuts directly. They enjoy higher returns from less dependence on middlemen, reduced wastage from spoilage of nuts, and ease of payment through the electronic banking we encourage our partners to adopt.

## MICRO BREEDING PILOT



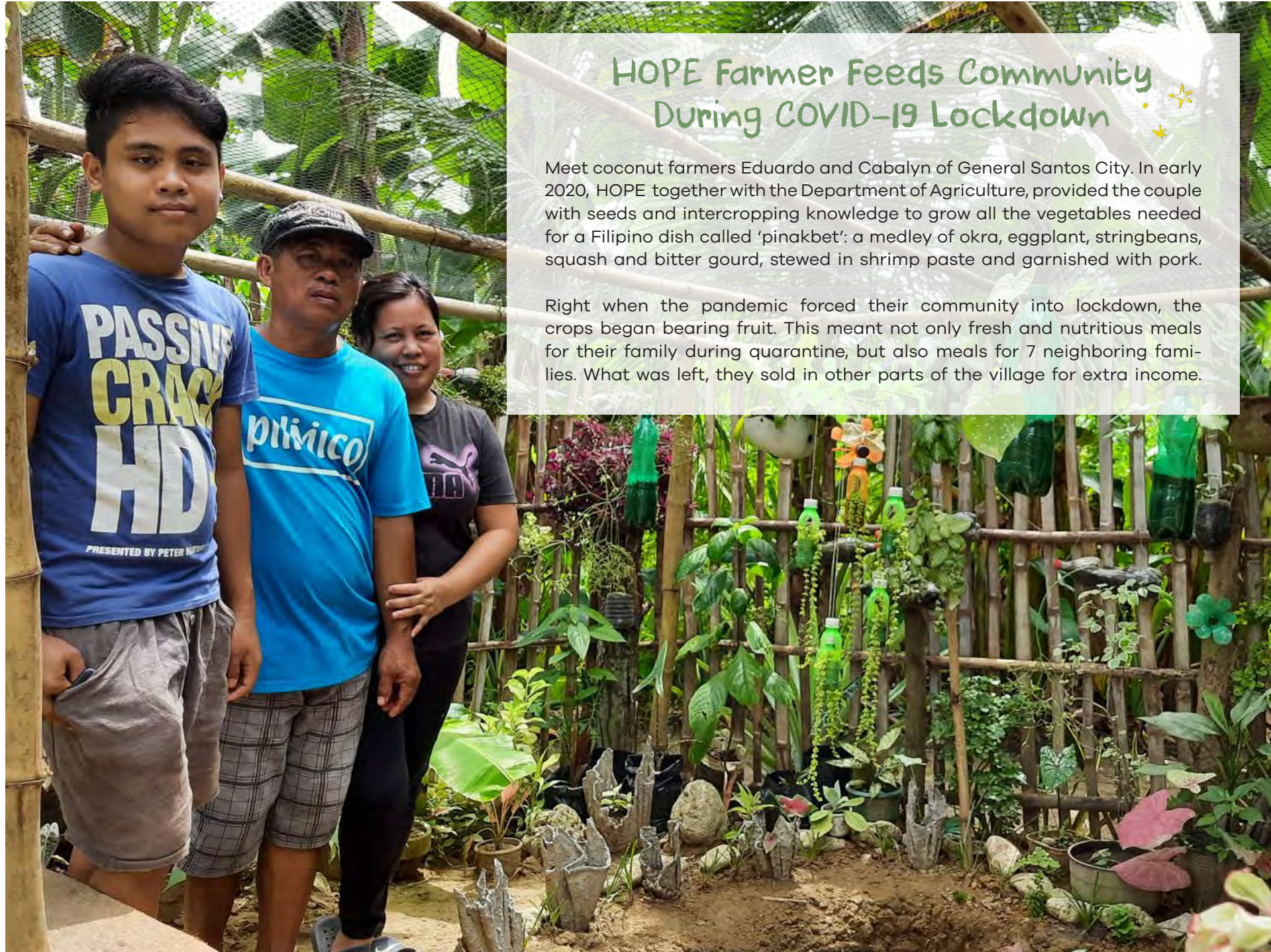
Increased supply of high quality certified seedlings and income of farmers.

100

Hybrid Trees

In 2020, Hope began a micro breeding program to teach farmers how to create quality hybrid seedlings that could be easily accessed and distributed in the local community. Our partnership with the Philippine Coconut Authority provides us a supply of pollen that is used to pollinate certified tree varieties in our partner farms. Hope will purchase, and distribute these seedlings for free, to farmers under our donor replanting program when they come on line in 2021. Currently the pilot has 100 trees in the program and expected to produce at least 5000 seedlings in the first 5 years to help establish additional micro breeding farms within the Sarangani Region.





## HOPE Farmer Feeds Community During COVID-19 Lockdown

Meet coconut farmers Eduardo and Cabalyn of General Santos City. In early 2020, HOPE together with the Department of Agriculture, provided the couple with seeds and intercropping knowledge to grow all the vegetables needed for a Filipino dish called 'pinakbet': a medley of okra, eggplant, stringbeans, squash and bitter melon, stewed in shrimp paste and garnished with pork.

Right when the pandemic forced their community into lockdown, the crops began bearing fruit. This meant not only fresh and nutritious meals for their family during quarantine, but also meals for 7 neighboring families. What was left, they sold in other parts of the village for extra income.



## Micro-entrepreneur Success Story

Carlito Valdez is a 48-yr-old smallholder farmer from General Santos City who joined HOPE in 2017. When we met Carlito, he was in a lot of debt as his only source of income were senile coconut trees from his 1.5 hectare plot. After providing him with high yielding replacement seedlings for his coconuts, we gave him 840 banana-Lakatan seedlings which he planted as intercrop to augment his income. In 2018 the bananas came on line and now consistently provides his family with approximately P16,000 per month.

In 2020, we tapped Carlito as one of HOPE's microentrepreneurs to supply banana suckers to other partner families. He initially offered to provide the inputs for free as a way to thank HOPE and help other farmers in the way we helped him. We told him we would pay for the supplies instead so he could be a regular partner. Last October, we sourced 1,000 Lakatan suckers from Carlito and distributed these to other families in our program.

The increase in income from HOPE has not only allowed Carlito to retire his debt and continue to send his 3 children to school but it also enabled him to tile the floor of his home and buy a secondhand tricycle which he hopes will generate further income that will help him invest in his farm.



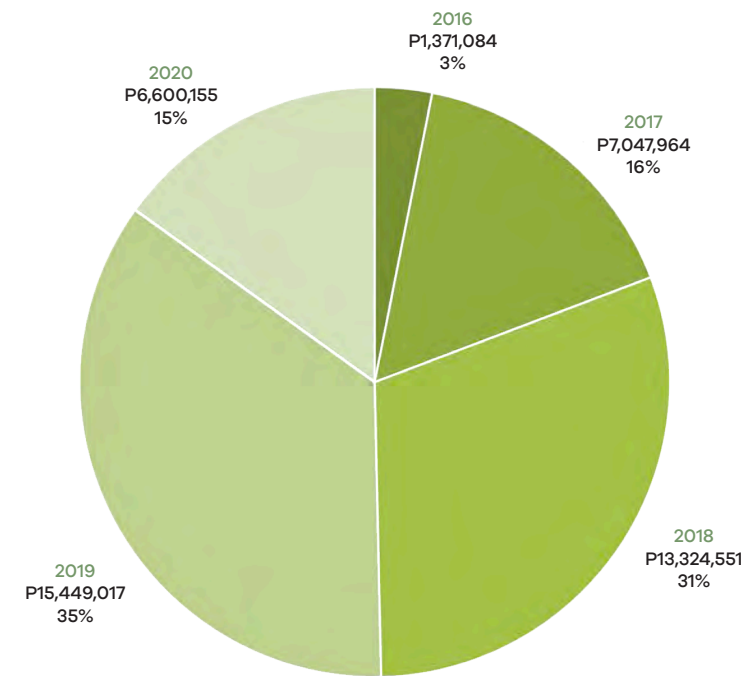
## Launching HOPE's Pay it Forward ✨

This program was born straight out of our experiences with our farmers like Carlito, Abel, Eduardo and Cabalyn. No matter how hard their circumstances were, we noticed that they never failed to help one another. Inspired by this generosity, and to celebrate their spirit, we decided to formalize their efforts and recognize what they themselves taught us... you are never too poor to give.

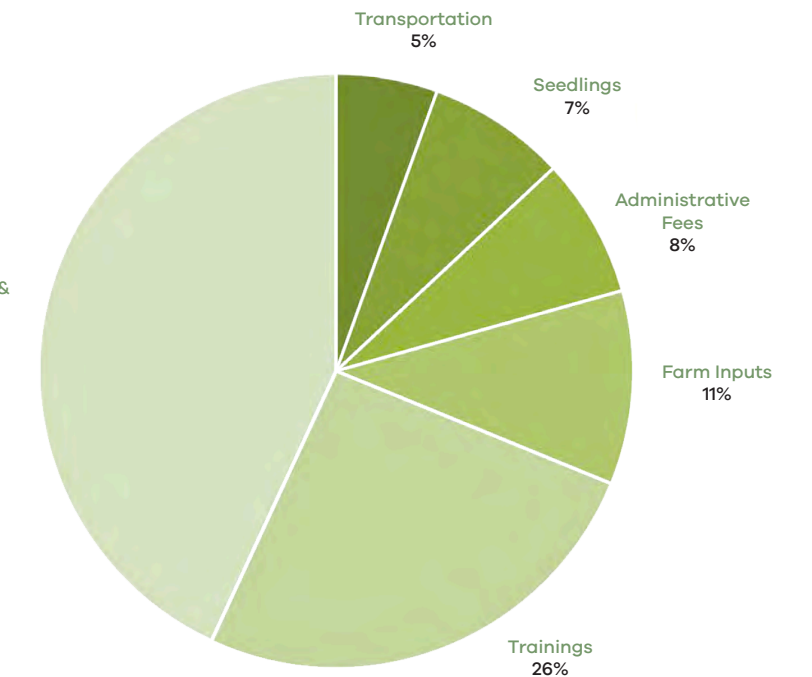
In 2020 we added to our farmer agreements that for every farm input that HOPE provides, the recipient will pay forward to another farmer the same input and quantity over time - creating a ripple effect of giving and increased income opportunities to the broader community.



## Allocation of Funds



Agriculture Program Cost By Year



Agriculture Program Allocation of Funds



## Our Partners



# ENVIRONMENT

Asia is the epicenter of the ocean plastic pollution crisis - home to 8 out of the 10 worst country offenders. The Philippines is 3rd. It is estimated that without intervention, there will be more plastic than fish in the ocean by 2050.

The Philippines produces over 2.27 million metric tons of plastic waste each year - 83% of this is mismanaged, landing in uncontrolled dumps, openly burned or leaked into waterways. With a largely poor population, people cannot afford to move out of single use product formats. While we are waiting for a better solution out of plastic- PCEx has developed a market-based mechanism which assigns a value to plastic waste to help encourage communities to keep the material in the circular economy and away from polluting nature.

The Plastic Credit Exchange has built a wide ecosystem of partners who work together to aggregate, transport, and valorize post consumer plastic waste. This includes sustainability conscious companies globally, audit partners, NGOs, and government agencies such as the City of Manila, Department of Environment and Natural Resources, and the USAID.



## Our Environment Impact



14,316,430 kg

Plastic waste diverted from nature and landfills



473.25  
Metric Tons

Carbon Sequestered from Tree Planting



23,908.44  
Metric Tons

Carbon Sequestered from Coal Replacement



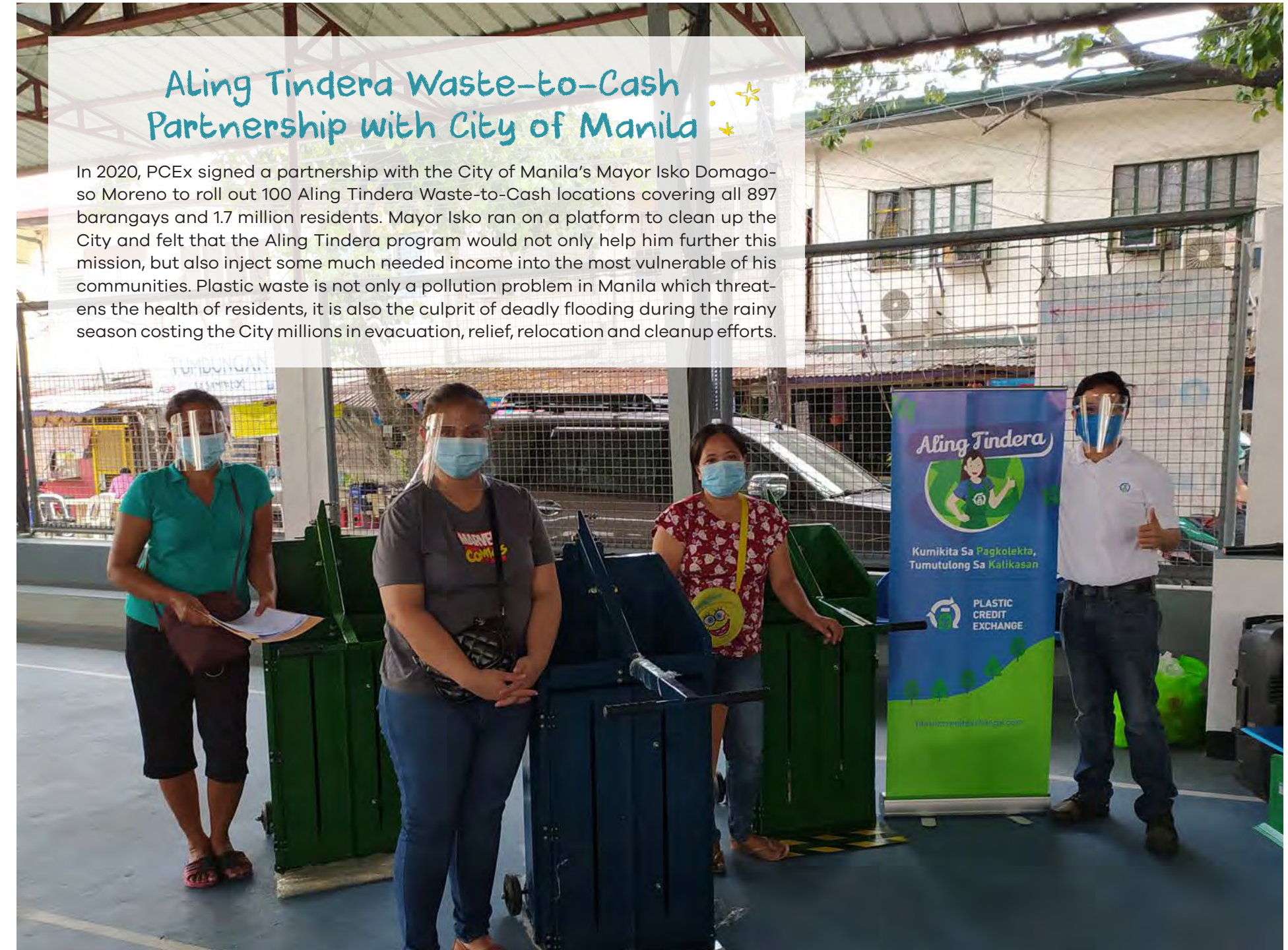
P64,423,935

Incremental Income to Communities

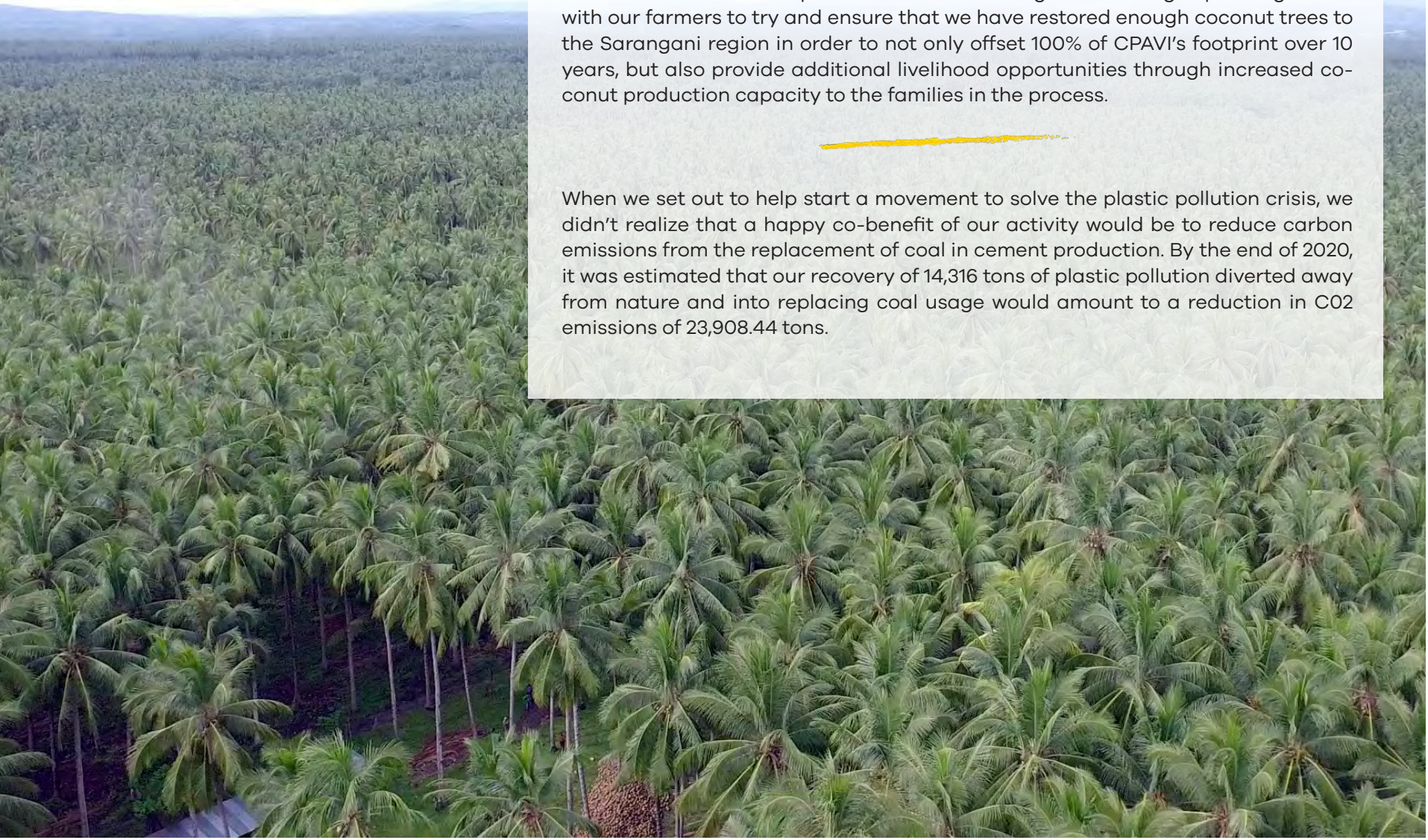


## Aling Tindera Waste-to-Cash Partnership with City of Manila

In 2020, PCEx signed a partnership with the City of Manila's Mayor Isko Domagoso Moreno to roll out 100 Aling Tindera Waste-to-Cash locations covering all 897 barangays and 1.7 million residents. Mayor Isko ran on a platform to clean up the City and felt that the Aling Tindera program would not only help him further this mission, but also inject some much needed income into the most vulnerable of his communities. Plastic waste is not only a pollution problem in Manila which threatens the health of residents, it is also the culprit of deadly flooding during the rainy season costing the City millions in evacuation, relief, relocation and cleanup efforts.







## Collective Carbon Sequestration Efforts

In 2020 Century Pacific Agricultural Ventures Inc partnered with HOPE to offset 100% of their carbon footprint from manufacturing. We have begun planting efforts with our farmers to try and ensure that we have restored enough coconut trees to the Sarangani region in order to not only offset 100% of CPAVI's footprint over 10 years, but also provide additional livelihood opportunities through increased coconut production capacity to the families in the process.

When we set out to help start a movement to solve the plastic pollution crisis, we didn't realize that a happy co-benefit of our activity would be to reduce carbon emissions from the replacement of coal in cement production. By the end of 2020, it was estimated that our recovery of 14,316 tons of plastic pollution diverted away from nature and into replacing coal usage would amount to a reduction in CO2 emissions of 23,908.44 tons.

## Hope in a Box Wins 'Best CSR Initiative' in Global Water Drinks Awards 2020

In an effort to diversify our product offering away from plastic in 2017, HOPE added Hope in a Box water to our portfolio. This year, with over 160 entries worldwide, Zenith Global recognized our efforts in the Global Water Drinks Awards by naming HOPE in a Box as the "Best CSR Initiative". As an impact company from the Philippines, it means a lot to have HOPE's education & sustainability efforts recognized on the world stage. We are proud to provide a product that not only builds classrooms but also delivers a sustainable packaging alternative to our customers through our partnership with Tetrapak.



## Best CSR Initiative



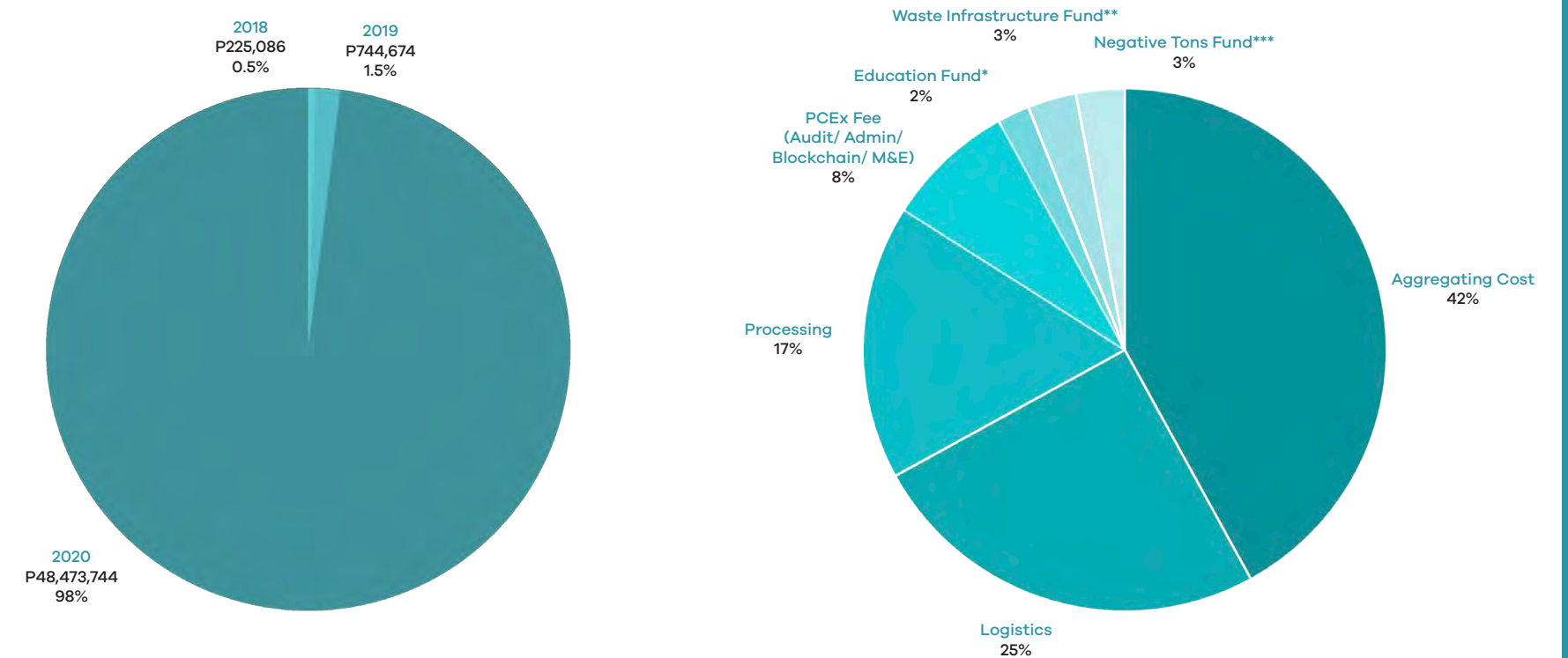




### PCEx Receives USAID's Clean Cities, Blue Ocean Grant ✨ ✨

In 2020, the U.S. Agency for International Development's Clean Cities, Blue Ocean (CCBO) program launched in the Philippines and awarded one of its first grants to the Plastic Credit Exchange (PCEx). This partnership unlocks almost Php 4 million in funding which will be invested in PCEx's Aling Tindera program that delivers sustainable and innovative solutions to fight ocean plastic, clean our cities and empowers women in underserved communities.

## Allocation of Funds



Environment Program Cost By Year

Environment Program Allocation of Funds

\***Education Fund** to drive behavior change and encourage the adoption of a circular economy.

\*\***Waste Infrastructure Fund** to assist underserved communities in the proper handling of plastic waste.

\*\*\***Negative Tonnage Fund** to help chip away at plastic waste build up beyond current offset commitments.



## Our Partners



PAGASA.PH  
FOR THE FUTURE  
KIDS FOR KIDS

Geographic circumstances make the Philippines one of the most disaster prone countries in the world. The shocks expose more than 20 million Filipinos who live on less than \$2 a day to life-threatening conditions. In 2020, with COVID, this meant the loss of approximately 9,263 lives and of over P2 Trillion for Filipinos.

2020 has been our most challenging year for relief. We began the year coordinating with other organizations and local governments to deliver clean drinking water to the victims of the Taal Volcano eruption - not even having fully met the needs from Typhoon Tisoy and the earthquake in Mindanao that came just before it. We then leapt into relief for frontliners when COVID struck - supplying especially the hospitals and medical teams in poor communities around the country. Still dealing with lockdowns and quarantines, we were hit in November by Goni - one of the worst typhoons to make landfall in history, as well as Vamco, which caused devastating floods, the likes which had not been seen in over 4 decades - leaving many homeless and without livelihood for the foreseeable future.

HOPE takes pledges from the community and works with local and national government units, as well as other non-profits, to deliver safe drinking water to affected communities wherever it is needed most. Our goal is to respond as quickly as possible, stay as long as is required, and provide complete transparency for all relief operations to the public.



RELIEF



## Our Relief Impact



**P2,117,937**

Total donations raised by the HOPE community

**P1,749,011**

Total donations raised in 2020



**318,464**

Total bottles of safe drinking water delivered to support disaster victims

**170,590**

Total bottles delivered in 2020



**<3 days**

Disaster Response Rate

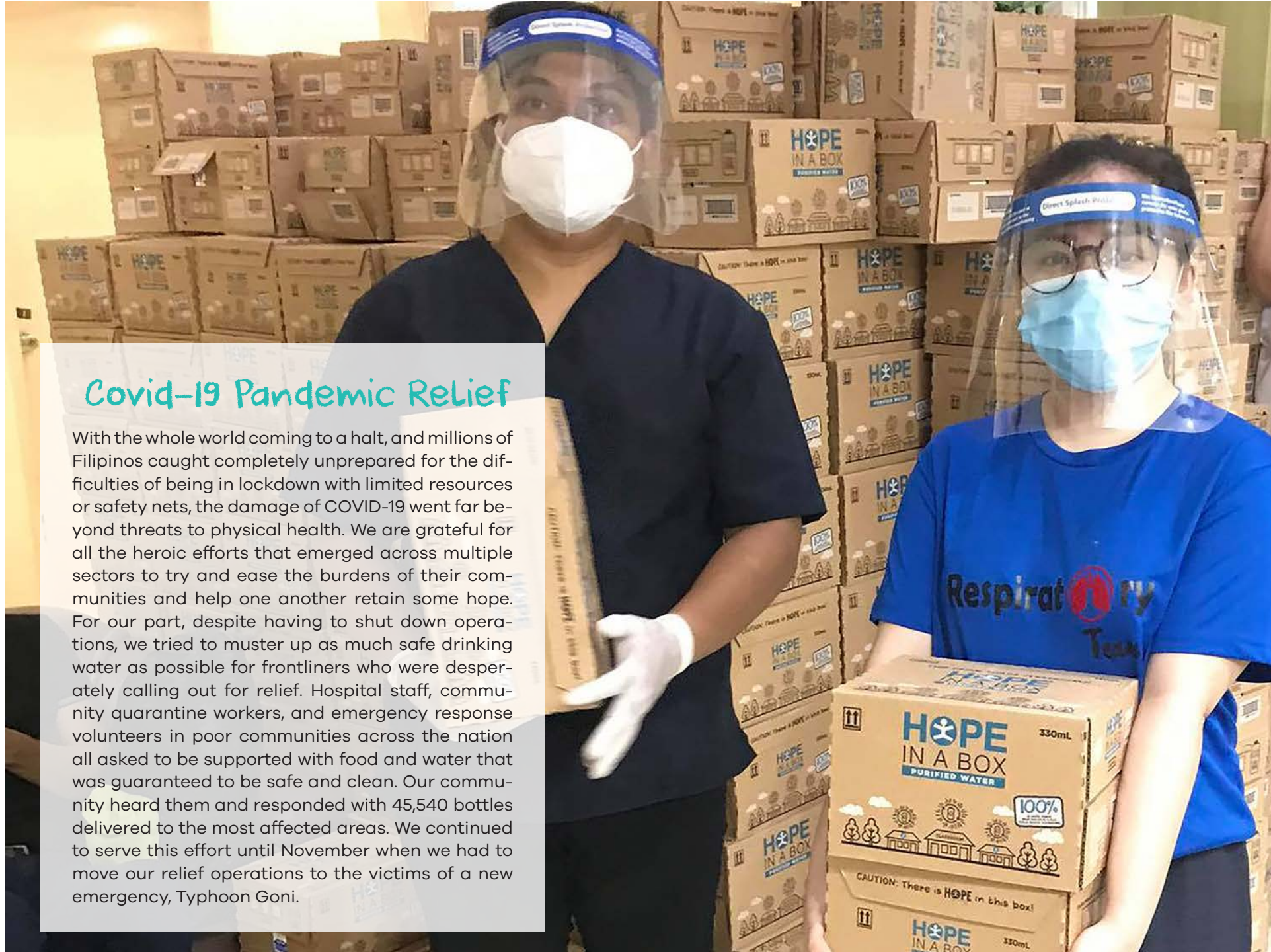
\*First bottles of clean drinking water to arrive at relief areas.



### Taal Volcano Eruption

On the 12th of January, the Taal Volcano in Batangas spewed ashes across a wide swath of Central Luzon and the Ilocos Region, affecting almost 400,000 people - destroying homes, health and livelihood. Within hours of the announcement, Hope mobilized our community and within the first 4 hours received enough donations to send the first 40-foot container van loaded with clean drinking water and headed to an evacuation area in Batangas. We continued to support this effort until the end of January.





## Covid-19 Pandemic Relief

With the whole world coming to a halt, and millions of Filipinos caught completely unprepared for the difficulties of being in lockdown with limited resources or safety nets, the damage of COVID-19 went far beyond threats to physical health. We are grateful for all the heroic efforts that emerged across multiple sectors to try and ease the burdens of their communities and help one another retain some hope. For our part, despite having to shut down operations, we tried to muster up as much safe drinking water as possible for frontliners who were desperately calling out for relief. Hospital staff, community quarantine workers, and emergency response volunteers in poor communities across the nation all asked to be supported with food and water that was guaranteed to be safe and clean. Our community heard them and responded with 45,540 bottles delivered to the most affected areas. We continued to serve this effort until November when we had to move our relief operations to the victims of a new emergency, Typhoon Goni.



## Typhoon Goni and Vamco Relief

On November 1, 2020, one of the most powerful storms to hit landfall in history struck the Philippines. 10 days later we were hit by Vamco which caused flooding like we had not seen in 45 years. More than 3 million people were affected and over 12,000 evacuation centers catering to the more than 350,000 displaced Filipinos, left the country, which was still managing the COVID pandemic, completely vulnerable.

While thousands of HOPE Heroes came together to meet the call for water relief, it was the small stories of employees donating their overtime hours and leave credits to purchase water, or the bake sales to fundraise, or the foregoing of birthday parties and gifts to provide more for aid that kept our spirits up and fueled our efforts to make sure we were delivering as much relief as possible. By the end of December, we had managed to deliver 170,590 bottles of clean and safe drinking water to the evacuation centers of the most affected regions of the country.





## Final Word

What's next? As restless optimists, this is the one question we at HOPE ask ourselves everyday. However much we achieve, we remain focused on leveraging the power of people to achieve Social Good.

Through investments in education, agriculture, environment, and relief - and despite the extraordinary circumstances - we played a part in some very meaningful successes in 2020.

In 2021, we hope that more children will gain access to quality learning thanks to the building of new classrooms; more women and girls will improve their lives by participating in school and in dignified work; more smallholder farmers will thrive as they engage in entrepreneurship and technical training opportunities; more companies and individuals will do their part to stop plastic pollution to help save the planet; and that we all might continue to positively influence the shift towards the systemic changes so needed to benefit not just the financial - but the moral economy.

As we reflect on the impact we made this past year, one thing is clear: none of it would be possible without you, our partners and advocates in doing Business for Good. It is an honor to work with you towards our common goals and we hope together to see the day where every Filipino has a chance to prosper.

**On behalf of the people whose lives you uplifted in 2020 - Thank You.**



# APPENDIX



## Education Safeguards & Protections



### Build Quality

- School Administrators as Inventory Monitoring Officers
- Partnership with local Department of Education offices for build quality checks conducted by unit engineers
- At least 2 quality checks during the build



### Labor and Workplace Safety

- All contractors with updated Occupational Safety and Health Certificates
- As additional precaution, contractors working in the pandemic also have their health and safety programs approved by the Department of Labor and Employment. This also requires all engineers to undergo additional safety training with the department.
- Coordination with local Barangay unit for security monitoring of materials and workers



### Adding Value to the Local Economy

- Open bidding to national and local contractors
- All contractors are required to hire local labor and provide skills transfer
- Priority for local materials suppliers



### Prevention of Forced and Child Labor

- As provided by law and enforced in the HOPE SOP





## Agriculture Safeguards & Protections



### Program

- Prioritize farmers with low income
- Inclusivity and assurance of full respect towards Indigenous People and farmers' different cultures
- Champion for women's empowerment, including women as model and demo farmers
- Connect farmers to the Philippine Crop Insurance Corp during Natural Disasters
- Provide coconut and fruit tree seedlings to farmers for carbon sequestration
- Promote organic farming
- Promote vermicomposting
- Provide training on climate change
- Provision of vegetable seeds, banana seedlings and other cash crops for food sustainability
- Diversified farming
- Provide training on farm planning
- Provide green labeled chemical products (pesticides)
- Apply precaution and prevention in providing farm inputs or activities that could harm the environment
- Fully comply with PCA regulation and follow Republic Act No. 10593- Coconut Preservation



### Labor and Workplace Safety

- Compliance with local Anti-Child Labor Laws, including RA 9231
- Provision of Health Insurance for HOPE Staff
- Provision of PPE, Ensures that every staff is provided a raincoat and helmet for field work



## Environment Safeguards & Protections



### Environmental Impact and Pollution Prevention

- There shall be no detrimental impacts to other aspects of the environment, including pollution prevention & abatement, biodiversity & marine conservation, management of natural resources & the welfare of people.
- Potential impacts and risk assessment shall be conducted in all aspects of the operations and mitigation measures in place when necessary.



### Labor and Workplace Safety

- Risks inherent to the activities shall be identified and addressed prior to the conduct of the activities from aggregation up to processing.
- Necessary measures shall be implemented to avoid accidents, injuries or diseases arising from or associated to the activities including emergency response and preparedness.



### Feedback and Grievance Mechanisms

- Consultations and feedback mechanisms shall be in place and will be available throughout the implementation activities.
- Incorporates the views of all the stakeholders in the conduct of activities and the disclosure of Plastic Credits in the PCEX Credit Registry.



### Prohibited Materials and Activities

- Activities involving forms of forced or child labor
- Activities deemed illegal under international conventions and host country regulations
- Activities involving toxic or hazardous materials including weapons, munitions and radioactive materials.










# HOPE

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