

BUSINESS CONDUCT AND ETHICS PROVISIONS OF THE PERSONNEL POLICY MANUAL

Objectives and Coverage

Hereunder are general guidelines to be observed in the performance of the functions, duties and responsibilities of every officer and employee of the Company with the objectives of maintaining high ethical standards of professionalism, integrity, respect, honesty, transparency, loyalty and trustworthiness, self-discipline, and the other values prescribed by the Company.

These guidelines are designed to develop and promote honest, fair and ethical conduct among officers and employees of the Company, including part-time or full-time consultants and project or contractual employees, strict compliance with these guidelines and the applicable laws, rules and regulations, and responsibility and accountability for non-compliance or violations thereof.

Confidentiality of Information

All officers and employees of the Company shall ensure that Confidential Information shall be kept strictly confidential and shall not be sold, traded, published, or otherwise disclosed to any person or entity in any manner whatsoever, including by means of photocopy, facsimile transfer, or other means of reproduction, without the Company's prior written consent, except as provided below. Confidential Information refers to proprietary and non-public data and information about the Company, its management, operations and projects which includes, but is not necessarily limited to, technical, legal and financial data or information, or models and interpretations, and may also include commercial, contractual and financial information, and any other information furnished or made available to the officer or employee concerned by the Company, which if used by or disclosed to other persons could be prejudicial to the Company, its customers or suppliers.

Where Confidential Information is allowed or required by law to be disclosed, the officer or employee concerned shall ensure that the Confidential Information disclosed shall be used solely to for the purpose for which it was given and all persons to whom the Confidential Information is

disclosed shall keep such information confidential and shall not disclose or divulge the same to any unauthorized person.

The Confidential Information shall remain the property of the Company and it may demand the return thereof at any time upon giving written notice to the recipient thereof. Upon demand, the original Confidential Information shall be returned to the Company, and all copies and reproductions (both written and electronic) in possession of the recipient or in the possession of persons to whom it was disclosed shall be destroyed.

Officers and employees entrusted with Confidential Information shall secure and preserve such confidential information, and upon resignation, separation or termination of employment, or at such other time as the Company may require, return to the Company any medium containing such confidential information, and may not retain duplicates. Such obligation is enforceable, even after his or her resignation, separation or termination of employment with the Company, until such time as the Company discloses such information publicly or the information otherwise becomes available to the public through no fault of the officer or employee concerned.

Insider Trading

Trading in securities by officers and employees of the Company, while in possession of material non-public information, whether of the Company or other companies, is prohibited under the Securities Regulations Code. Material non-public information includes any information, positive or negative, that has not yet been made available or disclosed to the public and that might be of significance to an investor, in deciding whether to buy or sell stocks or other securities or which would affect the value of such stocks or other securities.

The following provisions of the Securities Regulations Code on "*Manipulation of Security Prices, Devices and Practices*" are incorporated herein:

1. It shall be unlawful for any person acting for himself or through a dealer or broker, directly or indirectly:
 - a) To create a false or misleading appearance of active trading in any listed security traded in the Philippine Stock Exchange or any other trading market (the Exchange):

- (i) By effecting any transaction in such security which involves no change in the beneficial ownership thereof;
 - (ii) By entering an order or orders for the purchase or sale of such security with the knowledge that a simultaneous order or orders of substantially the same size, time and price, for the sale or purchase of any such security, has or will be entered by or for the same or different parties; or
 - (iii) By performing similar act where there is no change in beneficial ownership.
- b) To effect, alone or with others, a series of transactions in securities that:
 - (i) Raises their price to induce the purchase of a security, whether of the same or a different class of the same issuer or of a controlling, controlled, or commonly controlled company by others;
 - (ii) Depresses their price to induce the sale of a security, whether of the same or a different class, of the same issuer or of a controlling, controlled, or commonly controlled company by others; or
 - (iii) Creates active trading to induce such a purchase or sale through manipulative devices such as marking the close, painting the tape, squeezing the float, hype and dump, boiler room operations and such other similar devices.
- c) To circulate or disseminate information that the price of any security listed in an Exchange will or is likely to rise or fall because of manipulative market operations of any one or more persons conducted for the purpose of raising or depressing the price of the security for the purpose of inducing the purchase or sale of such security.
- d) To make false or misleading statement with respect to any material fact, which he knew or had reasonable ground to believe was so false or misleading, for the purpose of

inducing the purchase or sale of any security listed or traded in an Exchange.

- e) To effect, either alone or others, any series of transactions for the purchase and/or sale of any security traded in an Exchange for the purpose of pegging, fixing or stabilizing the price of such security, unless otherwise allowed by this Code or by rules of the Securities and Exchange Commission (the Commission).
2. No person shall use or employ, in connection with the purchase or sale of any security any manipulative or deceptive device or contrivance. Neither shall any short sale be effected nor any stop-loss order be executed in connection with the purchase or sale of any security except in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors.

Conflict of Interest

There is a conflict of interest when an officer's or employee's private interest interferes, or appears to interfere, in any way with the interests of the Company. When a transaction influences one's ability to act in the interests of the Company or makes it difficult to perform one's work objectively and effectively, a conflict of interest situation exists. Officers and employees have an obligation to provide full disclosure to Management and abstain or refrain from the related decision making process, in the event a conflict of interest situation arises concerning them.

The following situations are examples of conflict of interests situations, which requires disclosure to the Company, and are not intended to be exclusive:

- *Outside Employment.* An officer or employee may not be concurrently employed by, or provide any services not in his or her capacity as a officer or employee to, or own an interest in a business that is a material customer, supplier or competitor of the Company, or deprives the Company of any business.

Outside Interests. An officer or employee may not have any financial interest, either directly or indirectly, in any other business entity if such financial interest adversely affects his performance of duties or responsibilities to the Company, or requires him to devote certain time

during working hours at the Company.

Business Opportunities. An officer or employee may not use the Company's property, assets, information or his or her position with the Company to secure a business opportunity that would otherwise be available to the Company. The same should be submitted to the Company if such business opportunity is in line with the Company's business.

Loans or Other Financial Transactions. Except for loans and other financial transactions with banks and other financial institutions in the business of granting loans and other accommodations to any qualified person, an officer or employee may not obtain loans or guarantees of personal obligations from, or enter into any other personal financial transaction with, any company that is a material customer, supplier or competitor of the Company.

Giving or Receiving Gifts

Officers and employees may give or receive gifts or entertainment to or from business partners, customers or suppliers, only if the gift or entertainment is not an inducement to any particular business decision. While the giving and receiving of gifts are considered courtesies designed to promote business relationships among business partners, customers or suppliers, it should never affect, impair or influence one's business decisions with regard to matters involving such business partners, customers or suppliers.

Dealing with Customers and Suppliers

Officers and employees should deal fairly with the Company's customers, and suppliers, and employees and should not take undue advantage of anyone through illegal or unlawful means, such as misrepresenting or deliberate non-disclosure of the true nature or status or condition of the projects or operations of the Company, giving or receiving bribes or commissions from business partners, customers or suppliers of the Company, spreading false stories or rumors about business partners, customers or suppliers and even competitors of the Company, or taking advantage of business partners, customers or suppliers of the Company and other unfair dealing practices.

Related Party Transactions

All transactions, whether financial or otherwise, with relatives of directors and officers of the Company, within the degrees of consanguinity or

affinity prescribed by applicable laws and regulations, shall be conducted in a fair and arms-length manner and reported to the Board of Directors as related party transactions, prior to the approval of such transactions. The minutes of the meeting of the Board where such transaction is approved shall specify the parties to the transaction and the relationship of the principal parties to the director or officer concerned, in addition to the approved terms and conditions. All related party transactions are required to be disclosed in the financial statements of the Company.

Financial Reports and Disclosures

As a publicly listed company, the Company is subject to various laws, regulations and reporting obligations regarding securities, financial statements and other material transactions, and is required to promptly and completely render financial reports and other material information about the business, operations and transactions of the Company to the public, through the SEC and the PSE. Officers and employees must therefore strictly comply with all applicable laws, regulations and policies requiring accurate and complete accounting and financial reporting of transactions.

Integrity of Company Records

Officers and employees of the Company must ensure the integrity of Company records, which include but not limited to all accounting and financial data, data and information on the operations and projects of the Company, e-mails, electronic data files, performance measurements, payroll, attendance or time sheets, travel, reimbursement and liquidation reports and its support documents, and all other records, data or information kept and maintained in the ordinary course of our business.

All Company records should be complete, accurate and reliable in all material respects, and kept in a secure manner. Tampering or making false or misleading entries or data or information or failure to record funds, payments or receipts are prohibited.

Efficient and Diligent Use of Company Assets

Officers and employees have the responsibility to protect the Company's assets and properties, and ensure their efficient and diligent use for legitimate business purposes only. Thus, the use of the funds, properties or assets of the Company, for personal gain, or for any unlawful or improper purpose is not allowed or tolerated.

Officers and employees of the Company should exercise diligent and reasonable care to prevent theft, damage or misuse of Company funds,

properties or assets, use the Company's telephone and other electronic communication services and equipment and other property for business-related purposes only, ensure security of all electronic programs, communications, information materials and data from unauthorized access by others and should report promptly any actual or suspected misuse, pilferage, theft of Company funds, properties and assets.

Environment, Health and Safety

The Company has the responsibility for maintaining a safe, secure and healthy workplace for its officers and employees by adopting measures and practices towards maintaining environmental protection, safety and health. On the other hand, officers and employees have the responsibility of reporting to the Company accidents, injuries and unsafe equipment, practices or conditions and violations of environmental protection laws.

Officers and employees should ensure that the Company is compliant with all relevant health and safety laws and regulations, and that the business of the Company is conducted in a manner that protects the safety and maintains the health of its officers and employees. Officers and employees are prohibited from using or taking alcohol, illegal drugs or other controlled substances while in the performance of their duties and within the premises of the Company.

Discrimination and Harassment

The Company does not allow any unfair and undue discrimination based on gender, age, religion, race, national origin or citizenship, or any other classification.

Under Republic Act 7877 and DOLE Administrative Order No. 250, sexual harassment is a crime punishable under the law. Sexual harassment is committed when a sexual favor is made as a condition (1) in the hiring or in the employment, re-employment or continued employment of said individual, or (2) in granting said individual favorable compensation, terms, conditions, promotions, or privileges, or the refusal to grant the sexual favor results in limiting, segregating or classifying the employee which in any way would discriminate, deprive or diminish employment opportunities or otherwise adversely affect said employee. Sexual harassment may be in the form of: (a) overt sexual advances, b) unwelcome or improper gestures of affection, c) request or demand for sexual favors including but not limited to going out on dates, outings or the like for the same purpose, or d) any other act or conduct of a sexual nature or for purposes of sexual gratification which is generally annoying, disgusting or offensive to the victim.

Reporting Violations of the Code and Whistle Blowing Policy

If an officer or employee of the Company becomes aware of, receives or hears of, or suspects any conduct, behavior or act that he/she believes constitutes a crime or an offense or violates any applicable law, rule or regulation, or these guidelines, whether the act has been, is being or is about to be committed, he/she has the responsibility to report such conduct, behavior or act to his/her immediate supervisor or if the latter is involved, to the next higher officer, or directly to Management, as promptly as possible. Failure to do so or covering up such conduct, behavior or act shall be meted a sanction to be determined by Management in the light of the circumstances surrounding the failure to act or cover-up, and the seriousness of the offense actually committed. Unless otherwise decided by Management, as a rule, the sanction for the failure to report in a timely manner shall carry the same sanction as the offense, which was not reported or covered up.

The Company desires to provide an environment in which officers and employees can express any concerns they may have about wrongdoings at the workplace, in good faith. If it should become clear that the whistle blowing procedure has not been undertaken in good faith (for example, to pursue a personal grudge against another officer or employee), this will constitute misconduct. The Company shall not permit a situation in which an officer or employee purposely makes a report that he or she knows, or has reason to know, is false. Making a false report will result in adverse consequences for the officer or employee concerned, and he or she may be held accountable for damages suffered by anyone who has been affected by these false reports.

On the other hand, retaliation against anyone who, in good faith, reports known or suspected violations of these guidelines is prohibited. An officer or employee inflicting reprisal or retaliation against another officer or employee for reporting a known or suspected violation will be subject to disciplinary action in accordance with applicable laws and procedures.

General Guidelines

The above are general guidelines for conducting the business of the Company. There may be other guidelines prescribed by laws and regulations applicable to the Company, in which case, such other guidelines are incorporated herein by reference for compliance by all officers and employees of the Company.