

CORPORATE GOVERNANCE: CONFLICT OF INTEREST POLICY

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CORPORATE GOVERNANCE: CONFLICT OF INTEREST POLICY

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1.0 INTRODUCTION

Alphaland Corporation its affiliates and subsidiaries, herein may be referred to as “AC,” “Group” or “Company,” are committed to ensuring that the Company’s interests are being promoted and any situations that might pose any possible conflict or perception of conflict of interest by members of the Board, officer or employee are identified, mitigated or prevented.

Outlined in this manual are the standardized policies and procedures on conflict of interest. AC’s subsidiaries and affiliates shall adopt the policies and procedures issued by AC, herein referred to as "Parent Company." There may be instances where AC’s individual subsidiaries and affiliates develop its own policy which provides a more detailed guidance to its officers and employees. Such policy should first be approved by AC’s senior management to ensure that they do not conflict with the basic policies and procedures defined in this manual. Management of AC’s subsidiaries and affiliates may adopt a stricter approach in executing their conflict of interest policies. However, these Companies are prohibited from executing a lenient approach in its implementation.

Use of the forms issued along with this manual is mandatory. Additional fields may be added as needed by subsidiaries and affiliates to improve operational efficiencies; however, any other modification to the forms must first be approved by AC’s senior management.

2.0 ROLES AND RESPONSIBILITIES

2.1 Purpose

This section defines the responsibilities of employees and persons directly or indirectly representing the Company to various entities and individuals.

2.2 Persons and Offices affected

This policy applies to all offices of AC, its subsidiaries and affiliates, and employees.

2.3 Policy Details

The Company is required to make reasonable efforts to avoid, mitigate or neutralize conflicts of interest that may arise during negotiations or dealing business by board of directors, officers and employees with various entities and individuals.

Board Responsibility

The Board (or a duly-constituted Committee thereof) shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction maybe authorized as just, fair, and reasonable to Alphaland Corporation, its subsidiaries and affiliates. The decision of the Board (or a duly-constituted Committee thereof) on these matters will rest in their sole discretion, and their concern must be the welfare of Alphaland Corporation, its subsidiaries and affiliates and the advancement of its purpose.

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Department Responsibility

The Legal Department is mainly responsible in identifying and recommending mitigating strategies on conflicts of interest in all business dealings and transactions.

HR Department, on the other hand, is responsible that possible or perceived conflicts of interest by officers and employees are properly communicated and disclosed, in writing, to the Legal Department.

Individual Officer and Employee Responsibility

A member of the Board, officer and employee, authorized to represent the Company in dealing business with customers, suppliers/vendors, contractors, investors, debtors, creditors, investment houses, other financial institutions, legal entities, government agencies and regulators, third-parties and other stakeholders, are required to comply with the policies and procedures stated herein.

Further, it is the obligation of every member of the Board, officer, and employee to declare and disclose in writing to the Company his own involvement in any endeavor, which is in conflict to the interest of the Company. The very existence of conflict of interest per se is not a punishable act. However, failure, whether deliberate or through neglect, to disclose the same to the Company shall be meted the appropriate penalties stated in the Employee handbook from suspensions to ultimate dismissal depending on the impact or effect to the Company's interest.

3.0 CONFLICTS OF INTEREST**3.1 Purpose**

The purpose of this section is to establish the policies and procedures on potential conflicts of interest by members of the board, officers and employees to the Company.

3.2 Persons and Offices affected

The policies and procedures outlined in this document apply to AC, its subsidiaries and affiliates.

3.3 Policy Details

A conflict of interests exists when a member of the board, officer or employee who, contrary to the obligation and absolute duty to act for the benefit of the Company, exploits the relationship for personal benefit, typically pecuniary. Some conflicts of interest can be avoided through careful foresight and planning, others are unavoidable.

Conflict of interest determinations cannot be made automatically or routinely. The application of sound judgement on a case-by-case basis is necessary if the policy is to satisfy Company's interest.

The Company is aware that it is difficult to identify and resolve issues and situations arising from perceived conflict or actual conflict of interest by officers and employees.

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Thus, this policy provides examples which illustrate situations in which questions concerning conflicts of interest may arise. They are not all inclusive, but are intended to provide guidance to management:

- Assisting a Competitor,

An obvious conflict of interest is providing assistance to a business entity that markets products and services that directly competes with the Company's current or potential product or service offerings. In this regard, a member of the Board, officer or employee shall not work for such business entity in any capacity with prior consent and approval from Legal Department and the Board of Directors. The said member/officer/employee shall be required to fill-out the Conflicts of Interest Disclosure.

- Competing directly with the Company's line of business/es,

There may be individual pursuits engaged by member/officer/employee that could pose conflict/s with the Company's current or future business interests. Outside the office, a member/officer/employee may engage in activities that generally relate to technology, business advice or other products and services that the Company offers to its clients. Such activities should be prohibited.

Because of the Company's rapid expansion, management should constantly redraw lines of acceptable activity(ies). It is therefore the member's/officer's/employee's responsibility to consult, in advance and on a periodic basis, with management or Legal Department to determine whether the planned activity will compete with any of the Company's actual or potential businesses.

- Having affiliations or relationships with other enterprises as an officer, director (or member of a committee of a Board of Directors), manager, trustee, partner, employee, supplier, or customer,
- Having close ties to others working in an industry that directly or indirectly competes with Alphaland Corporation, its subsidiaries and affiliates such as spouses, partner, immediate relatives, close friends and the like,
- Receiving gifts and other inducements from third-parties dealing or competing with Alphaland Corporation, its subsidiaries and affiliates; regardless of the materiality,
- Supplying goods and services to the Company,

Unless approved in advance by the Board; any member, officer or employee may not be a supplier to the Group, represent a supplier to the Group, work for a supplier to the Group or be a member of its Board of Directors while currently a member, officer or employee of Alphaland Corporation. In addition, a member, officer or employee shall not accept any money, gifts, loans (regardless of materiality) or benefits of any kind for any advice or services you may provide to a supplier in connection with its business with Alphaland.

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- Having direct or indirect financial investments/interest to business entities dealing with the Company,
 - Owning a stock or holding debt or other proprietary interests in any third party dealing with Alphaland Corporation, its subsidiaries and affiliates.
 - If a member, officer or employee is involved, whether direct or indirect, in deciding whether the Company will engage in business with the third-party, said member/officer/employee is prohibited from maintaining a financial interest in the third-party.
 - Buying or accepting stock options or other securities from the third-party is prohibited especially if there is a question that the offer was motivated in whole or in part by the member's/officer's/employee's involvement with the Company.
 - Holding of financial interests with other third-party (ies) is prohibited if it violates Company policies, directives and guidelines.
- Participating or entering to public service, political office or government,
 - The Company encourages all members, officers and employees to pursue personal interest, including active participation in their communities. However, certain off-the-job activities can affect your position to the Company, or can otherwise reflect a negative perception on the Company. In such cases or when in doubt, the member/officer/employee shall be given the leeway to decide if entering into such situations will damage the Company's reputation to the public.
 - More so, participation to public and governmental service may pose conflict of interest concerns. As a Board member, for example, said individual may be confronted with the decision that involves the Company, such as a decision to purchase Company products or services. In such circumstances, the member's/officer's/employee's interest to the Company and obligation to the civic organization might pose a conflict. The said member/officer/employee must weigh the concerns and bear the responsibility of the decisions. Advice from the Legal Department is deemed necessary.
 - In all events, members/officers/employees should make it clear that he/she is employed by the Company to avoid any perception of concealment.
- Providing contributions and endorsements to public/government officials, among others.
 - It is the Company's policy to not make contributions, payments or otherwise give any endorsement or support which would be considered a contribution, directly or indirectly, to political parties or candidates, including through intermediary organizations, such as political action committees, campaign funds, or trade or industry associations.

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- Members/officers/employees are prohibited from making political contributions if such contributions are made as a representative of the Company.
- Services, such as using Company work time, as contribution to politicians and government officials are also prohibited. Said member/officer or employee may avail for his/her time-off without pay with explicit and written approval from his/her immediate superior.
- A member/officer or employee is prohibited from accepting political appointments to any government entity. If such cases are deemed necessary, said member/officer or employee shall seek the advice and approval from the Legal Department and the Board of Directors.

In a situation where management identifies conflict of interest, the Company should do the following action steps:

- Require the officer or employees to disclose the potential or perceived conflict in the Conflicts of Interest Disclosure. A full disclosure of the facts to all parties and seek Board of Director's acknowledgement of the disclosure and their approval. (Said document should be filled-out by all board members, officers and employees at least once a year),
- Ensure that the officer or employee with potential or perceived conflict of interest does not participate in the assessment, recommendation, review and approval of transactions with the other party (ies). He/she should be prevented from intervening in the said business undertaking,
- Communications by the member, officer or employee with potential or perceived conflict of interest with the other party (ies) should be denied/prevented to bring objectivity to the table.

On an annual basis, the Legal Department shall ensure that all members, officers and employees sign the Conflicts of Interest Disclosure. The information reflected in the said Disclosures should be collated and disclosed to the Board of Directors.

When a conflict of interest cannot be resolved or precautions are not sufficient, the officer or employee shall be required by the Company to cut his/her affiliations with the other party(ies) by either resigning from the latter's board, management, employee-employer relationship or selling his/her financial interest from the other party(ies). Other measures may be used by the Company to sever the officer's/employee's relationship with the other party(ies) in conflict.

If all possible measures have been undertaken and the officer or employee maintains his/her position that poses the conflict of interest, the Company may opt to terminate the contract with the officer or employee.

If, on the other hand, an officer or employee failed to disclose the conflict of interest with management and was then discovered, said officer or employee shall be penalized according to the gravity of offense stated in the employee handbook. Such penalties may include suspension, dismissal or imposition of a legal action.

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4.0 CONFLICTS OF INTEREST DISCLOSURE STATEMENT

ALPHALAND CORPORATION, SUBSIDIARIES AND AFFILIATES

CONFLICTS OF INTEREST DISCLOSURE STATEMENT

In order to be more comprehensive, this statement of disclosure/questionnaire also requires you to provide information with respect to certain parties that are related to you. These persons are termed "affiliated persons" and include the following:

- Your spouse, domestic partner, child, mother, father, brother or sister;
- Any corporation or organization of which you are a Board Member, an officer, a partner, participate in management or are employed by, or are, directly or indirectly, a debt holder or the beneficial owner of any class of equity securities; and
- Any trust or estate in which you have a substantial beneficial interest or as to which you serve as a trustee or in a similar capacity.

1. NAME OF COMPANY(IES) AND CORRESPONDING POSITION(S) THAT YOU ARE AFFILIATED WITH:
(Please print)

2. CAPACITY: Board of Directors
 Executive Committee
 Officer
 Committee Member
 Staff (position): _____

3. Have you or any of your affiliated persons provided services or property to Alphaland Corporation, its subsidiaries and affiliates in the past year?
 Yes No

If yes, please describe the nature of the services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

4. Have you or any of your affiliated persons purchased services or property from Alphaland Corporation, its subsidiaries and affiliates in the past year?
 Yes No

If yes, please described the purchased services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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5. Please indicate whether you or any of your affiliated persons had any direct or indirect financial/non-financial interest in any business transaction(s) in the past year to which Alphaland Corporation, its subsidiaries and affiliates was or is a party?

Yes No

If yes, describe the transaction(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

6. Were you or any of your affiliated persons indebted to pay money to Alphaland Corporation, its subsidiaries and affiliates at any time in the past year (other than travel advances or the like)?

Yes No

If yes, please describe the indebtedness and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

7. In the past year, did you or any of your affiliated persons receive, or become entitled to receive, directly or indirectly, any personal benefits from Alphaland Corporation, its subsidiaries and affiliates or as a result of your relationship with Alphaland Corporation, subsidiaries and affiliates that were not or will not be compensation directly related to your duties to Alphaland Corporation, subsidiaries and affiliates?

Yes No

If yes, please describe the benefit(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

8. Are you or any of your affiliated persons a party to or have an interest in any pending legal proceedings involving Alphaland Corporation, its subsidiaries and affiliates?

Yes No

If yes, please describe the benefit(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

9. Are you aware of any other events, transactions, arrangements or other situations that have occurred or may occur in the future that you believe should be examined by Alphaland Corporation, its subsidiaries and affiliates' [Board or a duly constituted Committee thereof] in accordance with the terms and intent of the Group's Conflict of Interest policy?

Yes No

If yes, please describe the situation(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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10. Have you made any contributions to government or any political parties?

Yes

No

If yes, please describe the situation(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

I HEREBY CONFIRM that I have read and understand Alphaland Corporation, its subsidiaries and affiliates Conflict of Interest policy and that my responses to the above questions are complete and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with this policy, I will notify Legal Department immediately.

Signature

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This document shall be reviewed

every Management Review Meeting
 Yearly
 every three years
 Not required

Revision History

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