

# **CODE OF BUSINESS CONDUCT AND ETHICS**

## **Introduction**

The Board of Directors, corporate officers and staff of PHILIPPINE REALTY AND HOLDINGS CORPORATION (the “Company”) hereby commit themselves to the principles of Code of Business Conduct and Ethics (“Code”) and acknowledge that the same may guide the attainment of the Company’s corporate goals.

The purpose of this Code is to apply the values in all activities in the Company and how the Company conducts its business. The Code is a set of principles intended to guide all employees; however, it cannot cover all ethical situations or issues. Those found to violate the principles and policies in this Code will be subject to disciplinary action.

### **A. Conflict of Interest**

The Company prohibits conflict of interest, whether such interest is personal, social, financial or political, if it interferes with the interest of the Company as a whole. Directors, officers, and employees should avoid any direct or indirect business connection with the Company’s customers, suppliers or competitors, except on the Company’s behalf. They are expected to avoid activities that might interfere with the proper and efficient discharge of their duties, or which might be inconsistent with their obligation to be loyal to the Company.

### **B. Conduct of Business and Fair Dealings**

Directors, officers, and employees should endeavor to deal fairly with the Company’s customers, suppliers and competitors. They should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice. They should never pay or receive kickbacks for obtaining business for or from the Company.

### **C. Receipt of gifts from third parties**

The Company prohibits paying or receiving money, gifts, services, loans, or other favors that may influence business decisions or compromise independent judgment. No gift or entertainment should ever be offered, given, provided or accepted by any director, officer or employee unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff and (5) does not violate any laws or regulations.

### **D. Compliance with Laws & Regulations**

Compliance with laws, rules, and regulations both in letter and in spirit is the foundation upon which the Company’s ethical standards are built. While directors, officers and employees of the Company are not expected to know every law that is applicable to the Company, it is important that they ask questions

and seek advice from supervisors, managers, lawyers or other appropriate personnel if they have any doubt regarding the legality of an action taken, or not taken, on behalf of the Company.

**E. Respect for Trade Secrets/Use of Non-public Information**

Directors, officers, and employees of the Company are required to maintain the confidentiality of information entrusted to them by the Company or its customers, except when disclosure is authorized or legally mandated.

**F. Use of Company Funds, Assets, and Information**

Directors, officers, and employees should protect the Company's assets (which include Company funds, property, and time) and ensure their efficient use. All Company assets should be used for legitimate business purposes. Company assets and equipment should only be used for Company business, although incidental personal use of assets may be permitted in some circumstances and with prior approval from the management.

**G. Employment & Labor Laws & Policies**

Compliance with labor laws and policies is the Company's paramount goal to preserve good working relationship with its directors, officers, and employees. The Company undertakes to observe and enforce within its organization labor standard, welfare, and labor relations laws.

**H. Disciplinary action**

The Company will not condone any type of harassment, abuse or punishment, whether corporal, mental or physical, of a director, officer or employee by another director, officer or employee or any partner, customer, business associate or supplier of the Company.

**I. Whistle Blower**

The Company promotes ethical behavior. Directors, officers, and employees are encouraged and obligated to report violations of laws, rules, regulations, or the Company's Manual on Corporate Governance.

**J. Conflict Resolution**

The Company believes that conflicts and disputes can be resolved not only by court litigation but also through mediation and voluntary compromise. Towards this end, the Company shall see to it that all conflicts or disputes with shareholders, customers, suppliers and other third parties are submitted at the first instance to all available methods of conflict or dispute resolution before resorting to court litigation.