



POLICY ON CONFLICTS OF INTEREST

Directors, Officers and Employees of **ArthaLand Corporation (ALCO)** and its subsidiaries and affiliates (hereinafter, collectively referred to as the “**Group**”), should strive to avoid any conflict between their personal, professional and business interests on the one hand and the interests of the Group on the other. This means avoiding actual conflicts of interest as well as the perception of conflicts of interest.

The purpose of this policy is to protect the integrity of Group’s decision-making process, to enable stakeholders to have confidence in its integrity, and to protect the integrity and reputation of its Directors, Officers and Employees themselves.

Upon appointment and/or hiring, each Director, Officer and Employee should make a full, written disclosure of his/her interests such as relationships and posts held that could potentially result in a conflict of interest. It is the continuing responsibility of Directors, Officers and Employees alike to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures to the Group.

Conflicts of interest may arise in the relations of Directors, Officers and Employees with any of the following third parties:

- a. Persons and companies supplying goods and services to the Group
- b. Persons and companies from whom the Group leases properties and equipment
- c. Persons and companies with whom the Group is dealing or planning to deal with in connection with the purchase or sale of real estate, securities or other property
- d. Competing or affinity companies
- e. Agencies, organizations and associations which affect the operations of the Group, and
- f. Family members, friends and other employees.

A conflicting interest may be defined as an interest, direct or indirect, with any persons or companies arising through:

- a. Owning stock or holding debt or other proprietary interests in any third party dealing with the Group;
- b. Holding office, serving on the board, participating in management or being otherwise employed, or formerly employed, with any third party dealing with the Group;
- c. Receiving remuneration for services with respect to individual transactions involving the Group;
- d. Using the Group’s time, personnel, equipment, supplies or goodwill other than for the Group’s approved activities, programs and purposes;
- e. Receiving personal gifts or loans from third parties dealing or competing with the Group. Receipt of any gift is disapproved except gifts of a value less than Php1,000.00 which could not be refused without discourtesy. No personal gift of cash and cash equivalent should ever be accepted.

The above notwithstanding, transactions with parties with whom a conflicting interest exists may still be undertaken provided that all of the following are observed:

- a. The conflicting interest is fully disclosed in accordance with this Policy
- b. The person with the conflict of interest is excluded from the discussion and approval of such transaction
- c. A competitive bid or comparable valuation exists, and
- d. The Board of Directors or a duly constituted committee thereof has determined that the transaction is in the best interest of the Group and should therefore be undertaken.

Disclosure should be made to the President & CEO, and if he/she is the one with the conflict, to the Chairman of the Board, who should bring the matter to the attention of the Board of Directors or a duly constituted committee thereof. Disclosure involving Directors should be made to the Chairman of the Board, and if he/she is the one with the conflict, to the Vice Chairman, who should bring the matter to the Board of Directors or a duly constituted committee thereof.

The Board of Directors or a duly constituted committee thereof shall determine whether a conflict exists and in case there is, whether the contemplated transaction may nevertheless be authorized as just, fair and reasonable to the Group. The decision of the Board of Directors or a duly constituted committee thereof on these matters will rest in their sole discretion as their concern is that of the welfare of the Group and the advancement of its purpose.

DISCLOSURE

I understand that the Group's business success is based on the continued trust and confidence of its clients and the general public. As one of its employees, I am expected to uphold the highest degree of honesty, integrity and professionalism and must ensure that my personal interests do not conflict with the duties I perform for the Group or with the duties which the Group performs for its clients.

I likewise declare that I have read and understood the Group's Policy on Conflicts of Interest and undertake not to perform any of the following unless I make a full disclosure accordingly:

- a. Engage or continue to be engaged in business with a competitor, customer or supplier of the Group without the written approval of the Board of Directors;
- b. Have a vested interest with a supplier, competitor or customer of the Group;
- c. Disclose or use any confidential information gained in the course of my employment for my personal benefit or profit;
- d. Take or approve an action resulting in the Group incurring or paying the cost of anything if such expenditure is not authorized or not reimbursable under the Group's policy; and
- e. Accept any offer or gift of any value given to me or my immediate family meant to either get favours in return or influence my recommendation or decision on certain proposals or issues affecting the Group.

Further, attached is a complete disclosure of my family and business relationships as of the date hereof which I commit to update annually or as often as appropriate.

Finally, I understand that any violation of the conflict of interest policy may constitute a ground for termination of my employment from the Group.