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I. OBJECTIVE

The ANFLO Group of Companies, its subsidiaries and affiliates (collectively, 'ANFLO Group' or the 'Group') call for its employees, officers and members of the Board to comply with all applicable governmental regulations, carry out the affairs and transactions of the Company with honesty and integrity, and avoid any conflict between their own interest and the Group. It is the policy's prime intent to invoke from individuals who are bound by their fiduciary duties, as dictated by their respective positions and functions, to consistently exercise due diligence, skill and prudent judgment for the sole benefit of the Group. The interests of the organization must have the first priority and all transactions entered into must be in accordance with applicable policies of ANFLO Group. This Policy Statement likewise aims to establish general principles to assist the Board, officers and employees identify and address situations that present actual or potential conflicts of interest.

Management reserves the right to change or cancel any provisions of this policy, with or without notice, as the needs of the Group dictate. Any revisions, amendments or deletions to this Policy shall be advised to all concerned through the issuance of a Revised Policy Form.

II. SCOPE

This policy is directed, but is not limited to, members of the Board, officers, employees and authorized personnel, of the ANFLO Group of Companies, its subsidiaries and affiliates.

III. DEFINITION OF TERMS

For purposes of this policy, the succeeding terms will be interpreted as follows:

3.1 Group – refers to ANFLO Group of Companies.

3.2 Company – refers to the Group's subsidiaries and affiliates.

3.3 Interested Person – any person who has influence over the business activities, resources, finances and operations of the Group or Company, which includes, but is not limited to, members of the Board, officers, employees and authorized personnel.


3.4 Authorized Personnel – employees who are in the position to influence the actions of the organization, its Board of Directors (BODs) and/or make commitments on their behalf, and/or those holding proprietary information about the Group or Company.

3.5 Conflict of Interest – occurs when the personal or private interest of an interested person and/or his/her relative interferes or appears to interfere, in any way, with the interest of the Group, and influencing or appears to influence the effective and objective performance of their duties in the Company or the Group.

3.6 Relatives – relationship up to the third degree of consanguinity, affinity or legal adoption, including spouse, parents, children (and their spouses), siblings (and their spouses), nieces and nephews (limited to children of brothers and sisters and, their spouses), grandparents and, aunts and uncles (limited to sisters and brothers of parents).

IV. POLICY

4.1 Each member of the Board, officers, employees and authorized personnel shall annually submit to the committee appointed by the Board or Management a Conflict of Interest (COI) Disclosure Statement confirming that such person has read and understood the governing COI Policy, is in compliance with the same and has agreed to submit a prompt disclosure of all potential conflicts of interest in the COI Disclosure Statement Form.

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- 4.2 It shall be the policy of the Company to strictly prohibit transactions or situations which are or may have the potential of qualifying as a conflict of interest. All business decisions of the interested persons must be to the best interests of the Group and not motivated by personal considerations and/or relationships that may impair independent judgment.
- 4.3 All information regarding the disclosure of potential or actual conflicts of interest must be treated with utmost confidentiality and will generally be made available only to the intended recipients and when circumstances require additional disclosure, to the extent necessary, in connection with the implementation of this policy and in view of responding to regulatory mandate.

V. AREAS IN WHICH CONFLICT OF INTEREST MAY ARISE

The areas enumerated below are only descriptive and not exhaustive of every situation that might give rise to a potential conflict of interest. Other areas not described herein shall be evaluated on a case to case basis and in accordance with the standards and parameters set forth in this policy.

- 5.1 *Transactions with and/or Engaging as Suppliers, Contractors, Business Partners, Advisors and Third Parties*
Members of the Board, officers, employees and authorized personnel must avoid any potential or perceived conflicts of interest. Impartiality, objectivity and transparency must be observed by these persons in fulfilling their duty of acting to the best interest of the Group. Authorized personnel, in the course of undertaking actions and making decisions binding the organization, must do so in utmost good faith and confidentiality.

The foregoing provisions are likewise applicable to dealings and agreements in between affiliates and subsidiaries within the Group.

- 5.2 *Dealings with Members of the Board, Advisors and Prospective Employees*

In consideration of the wide spectrum of conflict of interest issues arising from Human Resource (HR) matters, it is imperative that members of the Board, officers and employees exercise respect, fairness and equal opportunity in fact and in appearance in carrying out varied roles and functions affecting compensation and benefits, recruitment and selection, disciplinary procedures, personnel advancement and performance appraisals, among other areas and processes involving human resource management.

- 5.3 *Directorship, Executive Positions and Employment in Other Companies or Organizations*

Members of the Board, officers, employees and authorized personnel shall not perform remunerated work outside ANFLO Group in a capacity which affects the effective and efficient performance of their assigned duties. For interested persons, the HR Group shall outline the conditions and requirements for permissible outside positions and employment.


In all cases, privileged and/or proprietary information must not be utilized for external purposes.

- 5.4 *Use of Company Assets and Resources*

Unless expressly authorized and covered by established policies or guidelines (e.g. Company service vehicles, Company-issued mobile phones, laptops, etc.), interested persons are bound to exercise due care in handling Company-provided assets and resources. These shall not be used other than for Company-related activities or other explicit purposes for which these were issued.

- 5.5 *Other Conflict of Interest Situations*

When faced with a 'corporate opportunity', to acquire property or seize financial or business advantage, as a consequence of an interested person's function or affiliation with the ANFLO Group, of which such opportunity is relevant to the organization's present or prospective goals, the interested person must first present such corporate opportunity to the Group's Top Management or BODs.

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ANFLO Group, including all of its affiliates and subsidiaries shall not, directly or indirectly, grant or arrange for any credit (or extensions thereof) in the form of advances or personal loans, sales discounts and any form of special accommodation to any interested persons, unless authorized by the appropriate level of management and/or permitted by governing policy and procedures.

VI. DUTY TO DISCLOSE

All officers and employees of the ANFLO Group are duty-bound to report to the Board or appropriate level of management all real or apparent conflicts of interest that they have discovered or that have been brought to their attention in the course of undertaking the organization's activities.

In situations outlined under 5.1 to 5.5, interested persons are likewise required to make a full disclosure of the nature of the conflict of interest situation and provide the pertinent details and information stated in the COI Disclosure Statement Form to the appropriate committee or level of management, as follows:


- 6.1 For members of the Board
 - To the BODs through its Chairman
- 6.2 For the Chief Executive Officer (CEO) and Chief Financial Officer (CFO)
 - To the BODs through its Chairman
- 6.3 For Executive Level Management Employees
 - To the CEO and CFO
- 6.4 For Non-Executive Level Management Employees, Department Heads, Supervisory Employees and Staff/Non-Supervisory Personnel
 - To the Department Executive
 - To the CEO and CFO
- 6.5 For Consultants and Corporate Advisors
 - To the Executive of the Department or business unit to which the conflicted Consultant/Advisor belongs
 - To the CEO and CFO

VII. VIOLATIONS TO THE POLICY

- 7.1 If the governing Board or appropriate level of management has reasonable cause to believe an interested person has failed to declare actual or potential conflicts of interest required to be disclosed under this policy, such person should be informed of the basis for such belief and be given an opportunity to explain the alleged failure to disclose.
- 7.2 If, after evaluating the interested person's response and making further investigation as warranted by the circumstances, the governing Board or appropriate level of management determines that such person has failed to disclose potential conflicts of interest, appropriate disciplinary action up to and including termination of the person's employment shall be imposed.
- 7.3 Any other violation to this policy, including engaging in transaction or arrangement or any corporate opportunity without the required level of approval, will render such person liable to the extent of the damage/loss suffered by the Company or the Group, as maybe determined by the appropriate authorities, whether or not damage/loss is actually suffered by the Group or the Company.

VIII. EFFECTIVITY

This policy shall take effect immediately. If in any case inconsistencies will surface between the provisions contained herein and the terms of other existing policies, procedures, practices and implementing guidelines, this policy shall prevail. This policy and the Code of Business Conduct and Ethics have supplemental application to each other.

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IX. QUESTIONS

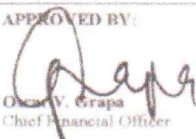

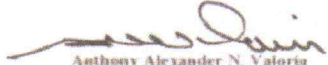
For any questions about this policy and for any concerns relative to the identification of whether a conflict of interest exists in any particular situation, you may approach your immediate superior, the HR Department or the Systems and Internal Audit Department.

X. REFERENCES

10.1 Code of Business Conduct and Ethics

XI. FORMS

11.1 Conflict of Interest Disclosure Statement

APPROVED BY:		
 Oscar V. Grapa Chief Financial Officer	 Ricardo R. Florendo Senior Vice-President and COO	 Anthony Alexander N. Valoria President and CEO
Date:	Date:	Date: