

## **INTEGRITY PLEDGE**

**(A commitment to ethical business practices and good corporate governance)**

We believe that corruption has been one of the biggest impediments to economic growth and prosperity in the Philippines and has been eroding the moral fiber of this society.

As chief executives of established companies in the Philippines, we acknowledge our companies' responsibility to lead by example in the fight against corruption and to operate our businesses ethically and with integrity.

While the government has its own initiatives for reducing corruption, we realize that those initiatives cannot succeed without individual and collective commitment from businesses to level the playing field and to build integrity in the business environment.

In view of the foregoing, we pledge the following:

We will prohibit bribery in any form in all activities under our control and ensure that our charitable and political contributions, business gifts, and sponsorships are transparent and will not be for the purpose of attempting to influence the recipient, whether government or private, into an improper exercise of functions, duties or judgment.

We will maintain a code of conduct to guide our employees towards ethical and accountable behaviour at all times, and will apply appropriate sanctions for violations of the code.

We will conduct training programs for our employees to promote integrity, honesty, and accountability in the exercise of their duties and responsibilities and to convey with resolve our company's commitment to ethical business practices.

We will implement appropriate internal systems and controls to prevent unethical conduct by our employees, ensure good governance, and institutionalize the values of integrity and accountability in our business.

We will maintain appropriate financial reporting mechanisms that are accurate and transparent.

We will maintain channels by which employees and other stakeholders can raise ethical concerns and report suspicious circumstances in confidence without risk of reprisal, and a designated officer will be tasked with investigating all reports received.

We will enter into integrity pacts with other businesses and with government agencies when dealing with procedures related to the bidding and procurement of supplies, materials, equipment and construction.

We will refrain from engaging in business with parties who have demonstrated unethical business practices.

To ensure collective action among business enterprises to foster ethical, clean, and transparent business transactions in the Philippines, we commit to:

1. support a nationwide initiative intended to create fair market conditions, transparency in business transactions and ensure good corporate governance;
2. participate in roundtable discussions, meetings and forum to identify the key concerns and current problems affecting the private sectors related to integrity and transparency in business transactions;
3. share "best practice", tools and concepts which are intended to be used by all participating entities to achieve the goals of the nationwide initiative;
4. assist and contribute ideas to develop a unified "Business Code of Conduct" acceptable to all participating entities;
5. participate in the creation of key measures and control activities intended to ensure transparency, integrity and ethical business practice.
6. support the development of an audit and certification program (including a training program for advisers and auditors) that will offer a toolbox for enterprises to introduce and implement ethical practices in their business processes; and institutionalize the whole process to promote sustainability of the Integrity Initiative.

  
Signature

JOSE MA. G. CASTILLO H-I  
Name

SVP FINANCE & TREASURER  
Position

HOUSE OF INVESTMENTS, INC.  
Company