



CONFLICT OF INTEREST POLICY OF FIRST PHILIPPINE HOLDINGS CORPORATION

First Philippine Holding Corporation's (the "Company") directors, officers and employees are committed to avoid any conflict of interest and abide by the prohibitions against insider trading, bribery and corruption.

Under the Company Manual for Corporate Governance, part of the Board's oversight responsibility may include the review of conflict of interest situations. Further, a director should not have any conflict of interest with the Company from the time he is duly elected and qualified and throughout his term of office. Directors should conduct fair business transactions with the Company, i.e. at arm's length basis and ensure that his personal interest does not conflict with the interest of the Company. A Related Party Transactions Committee, or such other appropriate approving authority or committee to be constituted by the Board, may also be constituted by the Company to ensure that information is provided to regulating and supervising authorities relating to the Company's policies on conflicts of interest or potential conflicts of interest.

The directors and officers of the Company shall always put the interest of the Company above personal interest. Except for salaries and other employment benefits, the directors and officers shall not directly, or indirectly derive, any personal profits or advantage by reason of their positions in the Company.

If an actual or potential conflict of interest should arise, it should be fully disclosed and the concerned director should not participate in the decision-making process.

Where a director, by virtue of his office, acquires for himself a business opportunity which should belong to the Company, thereby obtaining profits to the prejudice of the Company, the director must account to the latter for all such profits, unless his act has been ratified by a vote of the Shareholders representing two-thirds (2/3) of the outstanding capital stock of the Company.

When a director or officer attempts to acquire or acquires, in violation of his duty, any interest adverse to the Company in respect of any matter which has been reposed in him in confidence, as to which equity imposes a disability upon him to deal in his own behalf, he shall be liable as a trustee for the Company and must account for the profits which otherwise would have accrued to the Company.