

BENGUET CORPORATION CODE OF ETHICS

Purpose

This Code of Ethics has been adopted as an addendum to the Company's Manual of Corporate Governance and is intended to set the principles to guide the Company in the proper conduct of business towards the company's various stakeholders – employees, customers, suppliers, owners and providers of capital, local and national government, and the community where it operates.

BASIC PRINCIPLES FOR THE CONDUCT OF BUSINESS

A. Towards the employees -

The Company shall recognize the unique position of employees as individuals with a vital stake in their work and at the same time with inherent obligations to themselves and their own families. The company shall endeavor to provide:

- wages and salaries, and fringe benefits based on the right of the employees to a fair and improving standards of living, irrespective of sex, age and creed;
- for a fair recruitment practice that affords equal opportunity to all qualified job-seekers;
- for job security, adequate compensation for employees in cases of separation and retirement, for a safe and healthy atmosphere in the work environment conducive to the physical and moral well-being and growth of the employees;
- for conditions in which human potentials and relationships can be developed at all levels of the work force, with a view to providing therein a sense of purpose and achievement; and
- for participative element so that the knowledge, experience and creativity of all who work in the company may contribute to the decision-making process.

B. Towards the customers

The Company shall, in the production of mineral products, and delivery of services:

- avoid anything that would be detrimental to the health, or safety of the beneficiary of such goods and services; and
- deliver the product or service in the quality, quantity, time and price agreed upon.

C. Towards the suppliers

The Company shall ensure:

- that the terms of all contracts be clearly stated and unambiguous, and honored in full unless terminated or modified by mutual consent;
- that in general, payment should always be made promptly at the agreed time or, if no specific time is agreed upon, as quickly as may be reasonable, given the circumstances; and
- that no supplier be encouraged to commit his resources for apparently long-term purposes unless there are reasonable guarantees that the orders he receives from the company will not be terminated arbitrarily.

D. Towards the owners and other providers of capital

In the interest of the Owners and other Providers of Capital, the Company shall:

- provide an adequate rate of return to those contributing capital to the enterprise, and ensure the security of their investment;
- use their financial resources to provide goods and services responsibly and efficiently;
- furnish the Owners and other Providers of Capital with such information as they may reasonably require, provided that it does not adversely affect the security or efficiency of the business; and
- pursue the specific objectives of the Owners and other Providers of Capital provided these do not run contrary to any of the principles stated herein.

E. Towards the Local and National Government

Although it is the responsibility of government to enact legislation and formulate implementing policies and programs, it shall be the duty of the company;

- to participate in the discussion of proposed legislation and/ or its implementation and to propose sound policies in the use of human and material resources affecting the industry or industries where its business operates.

F. Towards the community where it operates

Realizing that the Company is using to important degree the nation's resources, the company do its best to ensure that the way resources are deployed also benefits society in general and does not conflict with the needs and reasonable aspirations of the communities in the areas where it operates;

- as a corporate citizen, make such contributions as resources will allow;
- consider the human and social costs of mechanization and technology;

G. Towards the environment and sustainable development

- pay proper regard to the environmental and social consequences of business activity, with special attention to sustainable development- that is, renewing resources where possible and minimizing waste and pollution, and not sacrifice safety or efficiency in the interest of short-term profitability;

SOME ETHICAL PRINCIPLES FOR THE PROFESSIONAL MANAGER

The concepts and principles for the conduct of business outlined in this document are commended to the managers (includes officers) of the company. A manager holds a position of trust and confidence, thus, must act with utmost fairness and according to the highest moral principles, consciously and consistently.

In particular, a manager should:

- acknowledge that his role is to serve the Company's business organization and work towards the attainment of its legitimate goals and objectives;
- avoid all abuse of executive power for personal gain, advantage or prestige;
- reveal the facts to his superiors whenever his personal business or financial interest become involved with those of the company;
- avoid conflicts of interest based on the principle that decisions should be made in the interest of the business organization at all times, and should be on his guard against allowing personal consideration to distort his judgment;
- not tolerate any form of illegal data-gathering or any form of inducement that tends to distort normal commercial judgment;
- be actively concerned with the difficulties and problems of subordinates, treat them fairly and by example, lead them effectively, assuring to all the right of reasonable access and appeal to superiors;
- recognize that his subordinates have a right to information on matters affecting them, and make provision for its prompt communication unless such communication is likely to undermine the security and efficiency of the business;
- fully evaluate the likely effects on employees and the community of the business plans for the future before taking a final decision; and
- cooperate with his colleagues and not attempt to secure personal advantages at their expense.

VISION

Benguet Corporation shall be the leading Philippine conglomerate engaged in sustainable natural resource development and nurturing mutually beneficial relationships with its shareholders, employees, communities, and environment and the nation.

MISSION

Benguet Corporation aims to be a responsible, profitable and growth-oriented conglomerate engaged in natural resource development.

In furtherance of this mission, Management is committed to:

- Maximize share prices and profitability through growth in earnings and in tangible asset value;
- Be a socially responsible and environment-conscious corporate citizen adhering to the highest ethical business standards;
- Create high value-added and portfolio-stabilizing business opportunities preferably in natural resource-based endeavors through strong exploration, research and development programs; and
- Achieve competitiveness and excellence as a natural resource company through the enhanced productivity of its people the improvement in the quality of life of its employees and their families, and its host communities.