

**CODE OF BUSINESS CONDUCT & ETHICS**

1) Discuss briefly the company’s policies on the following business conduct or ethics affecting directors, senior management and employees:

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	Employees are strictly refrained during their entire employment with the Company from working with any other employer or from engaging in any activity which is in conflict with or prejudicial to the interests of the Company or which will interfere with the performance of their jobs, whether within or outside their working hours, without written consent of the Company.		
(b) Conduct of Business and Fair Dealings	Vitarich builds a culture anchored on impartiality, equality and objectivity in any employment opportunity, career advancement, compensation, and in conducting its daily operations. The Company therefore prohibits discrimination based on gender orientation, nationality, education, religion and age.		
(c) Receipt of gifts from third parties	Under the provision Dishonesty. Receiving money, bribe, share, commissions or any form of benefit from any person personally or through another person for the purpose of performing an act beneficial to the person but prejudicial to the company and another employee.		
(d) Compliance with Laws & Regulations	Strict adherence to laws and regulations.		
(e) Respect for Trade Secrets/Use of Non-public Information	<p>Vitarich gives paramount importance to corporate confidentiality in all records, data, forms, plans, policies and procedures legally belong to the organization.</p> <p>Vitarich reserves the right to keep any information on all its business processes private, especially when a release of such information or data would prejudice the ability of the Company to carry on its specific objectives. Therefore any unauthorized disclosure or reproduction, in part or in whole, made by any employee to a third party will warrant necessary charges may it be during or after his employment with the Company.</p> <p>For the protection of the Company’s intellectual property, Vitarich requires employees with critical and confidential job in the organization to sign a confidentiality clause. Breach of confidentiality clause by any employee would mean deliberate authorization of the employee to waive his rights to benefits beyond mandatory requirements.</p>		
(f) Use of Company Funds, Assets and Information	<p>Every employee is responsible for taking care of company property, equipment, tools and facilities necessary for the performance of his duties and responsibilities and shall utilize such solely for the purpose required by the Company.</p> <p>Stated on the CRR under the provision Dishonesty #15. Unauthorized encashment of checks from Company funds, failure to deposit/remit collections within prescribed period of time, misappropriating and/or unduly withholding of Company funds and/or property/ies for personal use or advantage.</p>		
(g) Employment & Labor Laws & Policies	Strict adherence to labor code and other policies of the Department Of Labor and Employment (DOLE).		
(h) Disciplinary action	There is an existing Company Rules and Regulations covering all employees that specially upholds due process		

(i) Whistle Blower	These procedures apply to employee who is on good faith and has the intention of making relevant information be disclosed to the proper authority in aid of an investigation of an audit finding or management report.  To provide standard procedure in the reporting/submission of relevant information by an employee and on the examination of its veracity and authenticity.
(j) Conflict Resolution	A grievance mechanism is provided to address conflicts between management and employees.

2) Has the code of ethics or conduct been disseminated to all directors, senior management and employees?

Yes, through orientation for newly hired employees and provision of copies of Company Rules and Regulations (CRR) to all employees.

3) Discuss how the company implements and monitors compliance with the code of ethics or conduct.

The CRR has a clear procedure on the “reporting” system for breach of any provision of the Company Rules and Regulations. The Internal Audit Group for the purpose of monitoring compliance to such is conducting a regular audit of the systems and procedures.

4) Related Party Transactions

(a) Policies and Procedures

Describe the company’s policies and procedures for the review, approval or ratification, monitoring and recording of related party transactions between and among the company and its parent, joint ventures, subsidiaries, associates, affiliates, substantial stockholders, officers and directors, including their spouses, children and dependent siblings and parents and of interlocking director relationships of members of the Board.

Related Party Transactions	Policies and Procedures
(1) Parent Company	The Company grants unsecured, noninterest-bearing advances to its related parties for working capital requirements and capital expenditures. The Company also buys raw materials, hogs, and breeder flocks. The Company also sells animal feeds, raw materials, feed supplements and dressed chicken to these related parties.
(2) Joint Ventures	
(3) Subsidiaries	
(4) Entities Under Common Control	
(5) Substantial Stockholders	
(6) Officers including spouse/children/siblings/parents	A related entity pays the suppliers on behalf of the Company, thus, transferring the liability of the Company from the suppliers to the entity. Principally, the same terms and conditions with the suppliers apply when the entity takes over these liabilities. These transactions are presented as trade payables, nontrade payables, and other payables account.
(7) Directors including spouse/children/siblings/parents	
(8) Interlocking director relationship of Board of Directors	

(b) Conflict of Interest

(i) Directors/Officers and 5% or more Shareholders

Identify any actual or probable conflict of interest to which directors/officers/5% or more shareholders may be involved.

Details of Conflict of Interest (Actual or Probable)	
Name of Director/s	None
Name of Officer/s	

Name of Significant Shareholders	
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(ii) Mechanism

Describe the mechanism laid down to detect, determine and resolve any possible conflict of interest between the company and/or its group and their directors, officers and significant shareholders.

Directors/Officers/Significant Shareholders	
Company	Submission of their business affiliation is a requirement, whenever a major decision is to be made, any director is required to disclose a possible conflict of interest in the matter pending decision by the board.
Group	

5) Family, Commercial and Contractual Relations

(a) Indicate, if applicable, any relation of a family,<sup>1</sup> commercial, contractual or business nature that exists between the holders of significant equity (5% or more), to the extent that they are known to the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
None		

(b) Indicate, if applicable, any relation of a commercial, contractual or business nature that exists between the holders of significant equity (5% or more) and the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description
None		

(c) Indicate any shareholder agreements that may impact on the control, ownership and strategic direction of the company:

Name of Shareholders	% of Capital Stock affected (Parties)	Brief Description of the Transaction
None		

6) Alternative Dispute Resolution

Describe the alternative dispute resolution system adopted by the company for the last three (3) years in amicably settling conflicts or differences between the corporation and its stockholders, and the corporation and third parties, including regulatory authorities.

Alternative Dispute Resolution System	
Corporation & Stockholders	None
Corporation & Third Parties	
Corporation & Regulatory Authorities	