

PREVENTION OF CONFLICT OF INTEREST

Philtrust Bank has established guidelines on Prevention of Conflict of Interest to ensure that personal interests of its directors, employees, and consultants do not conflict with the duties and responsibilities they perform for the Bank.

As defined under the guidelines, conflict of interest exists when the professional judgment or objectivity of the directors, employees, and consultants are compromised by their personal desire to gain from a particular transaction or their personal relationship with a particular client. Personal relationship includes:

1. Close family members up to the second degree of consanguinity or affinity, legitimate or common-law, or by legal adoption;
2. Corporations, associations, or firms that are wholly or majority owned or controlled by directors, employees, and consultants; and
3. Clients with common business interest with the directors, employees, and consultants.

Activities that may Cause Conflict of Interest

The following activities, among other things, must be avoided, as they may result to actual or potential conflict of interest between an employee's professional and business interest on one hand, and the interest of the Bank, on the other hand:

1. Handling/influencing, directly or indirectly, bank transactions of persons or entities that may be considered part of personal or individual interest;
2. Engaging in all forms of banking such as accepting deposits, lending and facilitating financial transactions that may directly or indirectly compete with the main business of the Bank;
3. Accepting temporary employment or consultancy engagement with a bank client, product or service provider or any individual or entity that may have existing transaction/s with the Bank;
4. Purchasing of goods and services offered by bank clients at a price significantly lower than the normal price in the market or big discounts not normally granted to other customers;
5. Soliciting business opportunities or favors from bank clients and other entities or individuals that have existing contracts with the bank for personal or individual interest;
6. Accepting expensive gifts, commissions, travel opportunities or favors from bank clients after the granting of loans or credit facility or purchase of bank acquired asset; and
7. Selling or providing goods and services to bank clients on a regular basis that cultivates more than temporary business relationship.

Disclosure of Business Interest

All employees and members of the Board are obliged to disclose their business/financial interests that may constitute a real or potential conflict with their official duties.

Reporting and Investigation

Reporting and investigation of possible violation of this Policy shall be in accordance with the Bank's Whistle Blowing Policies and Procedures. Anyone who may be found violating this Policy may be subject to disciplinary action, including dismissal.

PHIL TRUST BANK