



## **SUPPLIER AND CONTRACTOR POLICY**

*(Amended March 2016)*

*The Company values its relationship with its suppliers and contractors. It has established a supplier/contractor evaluation and accreditation process to uphold accountability, integrity, fairness and transparency in our business dealings with our suppliers and contractors in the procurement of goods and services.*

*We shall assess and select our suppliers and contractors based on the following standards:*

- *Companies which are duly registered in the Securities and Exchange Commission (SEC), Bureau of Internal Revenue (BIR) and other appropriate regulatory bodies*
- *Compliant with government rules and regulations and other mandated quality system requirements, if applicable*
- *With good track record for business performance*

This Supplier/Contractor Relations Policy outlines the practices that shall guide and govern all business relationships of the Company, its directors, officers and employees, including their decisions and actions when dealing with the suppliers and contractors of the Company.

### I. On Supplier/Contractor Selection

The Company, its directors, officers and employees shall:

- seek and maintain mutually beneficial relationships with suppliers and contractors that uphold the principles of fairness, accountability, integrity and transparency.

- give qualified suppliers and contractors adequate, fair, and equal opportunity to bid on goods and services for the Company's projects or requirements.
- select suppliers and contractors based on organizational needs, quality requirements, cost, track record and ability to deliver according to set deadlines.
- as a general rule, choose suppliers and contractors on the basis of Competitive Bidding. Negotiated contracts may be applied, provided that it is in the best interest of the Company to enter into such a strategic engagement.
- avoid adopting and/or requiring specifications of products and services that either favors a particular supplier or contractor, or limits competitive sourcing.
- seek the best value for money from the suppliers and contractors, and avoid compromising the quality standards of the Company.

## II. On Supplier/Contractor Treatment

The Company, its directors, officers and employees shall:

- hold in confidence all dealings with bidders and suppliers.
- ensure that suppliers abide by the policies, practices and standards of the Company.
- facilitate payment disbursements committed to suppliers and contractors in a prompt manner and in accordance with the applicable contract provision.
- promote and observe ethical conduct in their relationships, actions, and communications with suppliers and contractors at all times. Actions, speech or behavior that in any way diminishes open, honest and fair treatment of suppliers shall be avoided.
- not solicit, accept or attempt to accept any bribe in exchange for being awarded a contract.
- declare their personal relationships and/or previous business and official dealings and relationships with any of the owners, officers, and representatives of the supplier or contractor they are dealing with when dealing or transacting directly or indirectly, with such parties.

- be vigilant against any irregular, illegal, or unethical conduct of suppliers, contractors and/or fellow directors, officers and employees. The Company encourages everyone to report any such violations based on the existing Whistleblowing Policy.