International Container Terminal Services, Inc.

EXCELLENCE UNCONTAINED

ICTSI

CODE OF

BUSINESS CONDUCT

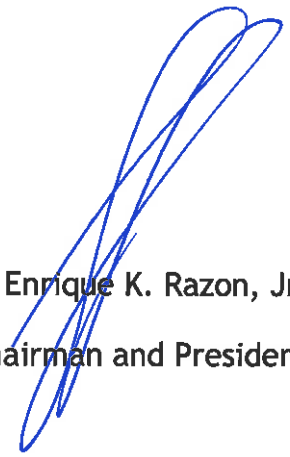


MESSAGE FROM THE CHAIRMAN

ICTSI has grown from strength to strength throughout the years to become the leading port management company with a global footprint that extends across the far reaches of the world. Our excellent reputation is not coincidental - we have built a world-class business thanks to the efforts of our people with their hard work, professionalism and integrity. We operate in very different, and often challenging, environments, making it especially important for us to conduct our business with the highest standards of integrity to maintain our reputation no matter where we go, and in every action that we take.

We have consolidated our business principles in this Code of Business Conduct as a framework for how we operate. This Code of Business Conduct sets out what is expected of every employee and business partner working with or on behalf of ICTSI.

On behalf of the ICTSI Board of Directors, we would like to thank our employees and business partners for familiarizing themselves with this Code of Business Conduct, and conducting business in accordance with our fundamental values and principles. Your dedication is what will enable us to succeed tomorrow.



Enrique K. Razon, Jr.

Chairman and President

1. INTRODUCTION

1.1 Despite the global spread of our people, offices and operations, we are guided by our core values and principles. We hold ourselves to the highest ethical standards of honesty and integrity. We respect and abide by the laws of whichever country we operate in. The Code of Business Conduct (**"the Code"**) serves as a statement of our beliefs, values and commitment.

1.2 The Code offers guidance on the critical issues and is by no means exhaustive in addressing every ethical issue that may arise. Its application may also vary because of local laws and regulations. If you have any questions, please refer to the Vice President for Corporate Affairs and Governance for assistance.

2. SCOPE

This Code applies to:

2.1 International Container Terminal Services, Inc., together with its subsidiaries, joint-ventures and associated companies where ICTSI or its subsidiaries have management control (collectively referred to as **"ICTSI"**);

2.2 All employees of ICTSI, officers, directors, consultants, contractors, trainees, seconded staff, casual workers and agency staff, interns, agents or any other person associated with us, wherever located (collectively referred to as "employees" in this Code); and

2.3 External third parties who are outside parties but acting with, for or on behalf of ICTSI, including: agents, consultants, distributors, teaming partners, contractors, and certain vendors. Vendors which do not represent ICTSI are excluded. Where applicable, the obligations set out in this Code apply equally to the aforementioned external third parties as if they are employees of ICTSI.

3. RESPONSIBILITY

3.1 It is the responsibility of every employee to be familiar with and to comply with both the spirit and the letter of the Code.

3.2 ICTSI takes violations of the Code seriously. Employees who fail to comply with the Code may face disciplinary action, including termination of employment. Third parties who violate the Code may face termination of the business relationship and barred from acting on behalf of ICTSI in future.

3.3 If you have any concerns or become aware of any breaches of this Code, you are responsible for reporting the violation immediately to your line manager. You may also notify the Vice President for Corporate Affairs and Governance.

4. EMPLOYEE RELATIONS

ICTSI embraces workplace diversity and considers its employees to be its greatest asset. We strive to maintain a fair, harmonious and respectful work environment where all employees are treated with dignity, and individual differences are respected. ICTSI strictly prohibits discrimination of any kind, including that on the basis of race, religion, gender, age, disability or pregnancy. Any form of harassment, unprofessional or inappropriate work conduct will not be tolerated. Where applicable, additional local requirements will also be complied with.

5. HONEST AND ETHICAL BUSINESS PRACTICES

5.1 Anti – Bribery Obligations

5.1.1 ICTSI will not engage in bribery or corruption. Apart from disciplinary action by ICTSI, violations of anti-bribery laws can lead to severe criminal and civil penalties for both ICTSI and the individual employee involved.

5.1.2 Employees may not promise, offer or authorize someone on its behalf to give any type of bribes (regardless of form), either directly or indirectly, in order to secure an improper

advantage or to influence any act or decision of such a person, in order to obtain or retain business for ICTSI.

5.1.3 Bribes may be anything of value and can take many forms, such as: cash or cash equivalents e.g. gift certificates, kickbacks, commissions, gifts, entertainment, travel or accommodation, charitable donations, political contributions, consulting fees, job opportunities or favors.

5.1.4 ICTSI strictly prohibits bribery of any kind, and to anyone, whether private individuals or government officials. Local business customs or culture is not a valid excuse for engaging in bribery.

5.1.5 Employees may not ask for, accept or receive bribes, or any other personal benefit that would induce the employee to breach his/her duty to act in good faith, to act impartially or in accordance with a position of trust.

5.1.6 All employees are to refer to the **ICTSI Anti-Bribery Compliance Policy and Procedure** for detailed guidance.

5.2 Business Gifts, Entertainment and Hospitality

5.2.1 We recognize that the practice of giving and receiving gifts, hospitality and travel (collectively, "**business courtesies**") are necessary in appropriate circumstances to strengthening business relationships and creating goodwill. However, such practices may vary in terms of what is appropriate and lawful from country to country.

5.2.2 In order to prevent any impression that business courtesies are improper so that the recipient's business judgment or objectivity is affected, caution should be exercised in extending or receiving business courtesies.

5.2.3 When providing any business courtesy on behalf of ICTSI, employees should ensure that such business courtesy offered or proposed to be offered:

- does not violate local laws or regulations;
- is modest in value pursuant to local standards and consistent with customary business practices;
- is for an appropriate business purpose;
- is appropriate in the particular context, e.g. whether it is in the middle of a bidding process or business negotiations;

- does not embarrass ICTSI or would not be against ICTSI's values;
- is unlikely to be construed as a bribe;
- is visible to the management of the recipient; and
- is not in cash or cash equivalent.

5.2.4 Employees should also take into consideration the frequency of business courtesies being made to the same party in determining the propriety of the business courtesies extended.

5.2.5 Prior approval must be sought from a Senior Vice President if the value of the proposed business courtesy to be made to an external party exceeds a reasonable amount.

5.2.6 If you are in doubt as to the propriety of the proposed business courtesy or other personal benefit, you should always seek guidance from the Vice President for Corporate Affairs and Governance. Employees should also refer to the **ICTSI Anti-Bribery Compliance Policy and Procedure** for detailed guidance.

5.3 Charitable Donations

ICTSI may from time to time provide corporate sponsorships, donations or assistance to charitable causes or organizations, whether in the form of monetary assistance, assets or services. All such donations must be for a genuine charitable purpose for reputable causes and must never be conditional upon ICTSI receiving business or any other benefits.

5.4 Political Activities and Contributions

5.4.1 Political contributions on behalf of ICTSI are never permitted unless advance approval has been obtained from a Senior Vice President, and only when made in compliance with this Code and in accordance with local law.

5.4.2 ICTSI employees may support and participate in political activities should they wish to do so, in their personal capacity, time and expense. All views and actions are that of your own and not of ICTSI's. Company assets or resource may not be used for political activities without prior approval as set out in Clause 5.4.1 above.

6. ACCURACY OF BOOKS AND RECORDS

6.1 ICTSI regards the completeness and accuracy of ICTSI's business records and public filings to be of critical importance. All records must contain accurate and reasonably detailed information that reflect the true nature of ICTSI's transactions, in accordance with appropriate accounting principles and standards. False, misleading, incomplete, inaccurate or artificial entries are strictly prohibited.

6.2 ICTSI requires all gifts, entertainment and hospitality expenditure to be properly accounted for and recorded in accordance with the applicable ICTSI expense procedures and/or practices.

7. CONFLICT OF INTEREST

7.1 A conflict of interest arises when your personal or financial interests interferes with or is inconsistent with the best interests of ICTSI. Employees must act in the best interest of ICTSI at all times. You should avoid any situation where your personal interest inappropriately influences, or appear to influence, your objectivity and judgment.

7.2 Some examples where a potential conflict of interest may arise include:

- Assisting family members or friends with doing business with ICTSI;
- Having outside employment or engaging in businesses that competes or does business with ICTSI;
- Receiving any personal benefits from any business transactions involving ICTSI; or
- Using company resources and information to gain personal benefits.

7.3 Under no circumstances may an employee be concurrently employed or engaged by a competitor of ICTSI.

7.4 If you become aware of any potential or actual conflicts of interest, you must disclose this to your direct supervisor and seek prior written approval before engaging in the concerned

activity/transaction. The management will consider each situation carefully in order to determine whether a conflict of interest arises.

8. INSIDER INFORMATION AND SECURITIES TRADING

8.1 Inside information is information that is confidential or not generally available to the public which a reasonable investor would consider important in making an investment decision to trade in the securities of a company.

8.2 Examples of inside information include:

- Financial results, forecasts or announcements that have not been disclosed to the public;
- Mergers, acquisitions or joint ventures;
- Major litigation or other legal proceedings;
- Major tax assessments or investigations from regulators; or
- Significant restructuring or changes to management.

8.3 It is illegal under the securities laws of many countries to take advantage of inside information that you may become aware of to buy or sell securities of any company, including ICTSI. It is also illegal to disclose inside information to others to trade, even where you did not make the trade or gain any personal benefit.

8.4 If in doubt whether the information you have is material inside information, please seek the advice of ICTSI Investor Relations.

8.5 As a company listed on the Philippine Stock Exchange, ICTSI is subject to securities regulations and disclosure rules. In accordance with such regulations, ICTSI occasionally implements blackout periods, limiting dealing in ICTSI shares by directors and officers of ICTSI.

9. FAIR BUSINESS PRACTICES AND ANTITRUST

9.1 ICTSI does not engage in unethical or illegal business practices. While ICTSI competes vigorously for business, our conduct must be consistent with the law and our commitment to integrity.

9.2 Business information may not be obtained through the use of unlawful or unethical means, such as misrepresentation, deception, theft or bribery.

9.3 In many countries, there are antitrust laws to prohibit business conduct that restrict competition based on merits. It is a policy of ICTSI to comply with all applicable antitrust laws.

10. CONFIDENTIAL INFORMATION AND DATA PRIVACY

10.1 ICTSI employees should protect confidential information from unauthorized disclosure outside of ICTSI. Within ICTSI, confidential information should only be disclosed to those with a business need to know the information. Confidential information may include sales and financial information, market research, ICTSI business opportunities and information about the relationships with ICTSI's business partners as well as ICTSI's technical and industrial information.

10.2 At ICTSI, we respect the right of our employees, customers and business partners to privacy when handling personal information. We treat personal data with care and ensure that it is protected from unauthorized use, access or disclosure. Employees may also not use personal data in any inappropriate manner or for personal benefit.

11. COMPLIANCE WITH LOCAL LAWS AND THE CODE

11.1 It is a policy of ICTSI to comply with all applicable laws and regulations in every country it operates in. For the avoidance of doubt, to the extent that any part of this Code is inconsistent with the local laws and/or regulations, local law and regulations should prevail.

11.2 Violations of the Code may result in disciplinary action, including termination of employment. Additionally, any breach of the law may result in ICTSI reporting to the relevant authorities.

11.3 If you become aware of any potential or actual violations of the law or of this Code, you are required to disclose any relevant information to the Vice President for Corporate Affairs and Governance immediately.

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