



OFFICE ORDER NO. 04 - 012

October 11, 2004

DCI CODE OF ETHICS

The Development Bank of the Philippines mandates its subsidiaries to observe and adhere to the same DBP Code of Ethics. In line with this directive, DCI hereby adopts the following Code of Ethics:

The DBP Data Center, Inc. (DCI) believes that a Code of Ethics (the Code) is essential in promoting good corporate governance in the Company.

1. The main purpose of this Code is to guide DCI officers and employees, including the members of the Board of Directors, in carrying out their duties and responsibilities according to high professional and ethical standards; and to ensure that the Company conducts its business within the rules of law and the bounds of moral and social conscience. In this connection, DCI shall guarantee strict observance of all relevant laws and regulations covering its operations.
2. This Code upholds the policy of the State to promote a high standard of ethics in the public and private service. DCI officers and employees shall at all times be accountable to the people and shall discharge their duties with utmost responsibility, integrity, competence, and loyalty, act with patriotism and justice, lead modest lives, and uphold public interest over personal interest.
3. This Code specifies and explains the rights and responsibilities of DCI and its officers and employees vis-à-vis the public, its clients and its stakeholders.
4. This Code emphasizes adherence to the principles of accountability, transparency, integrity, and good faith, confidentiality, and avoiding conflict of interest in every transaction or activity being entered into by DCI and its officers and employees. These principles shall likewise be always taken into consideration by the Company in complying with reportorial requirements mandated by law and regulatory agencies dealing with DCI.
5. The provisions of Republic Act No. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees), Republic Act No. 3019 (Anti-Graft and Corrupt Practices Act), insofar as they may be applicable, shall supplement the provisions of this Code.

GUIDELINES AND PRINCIPLES

A. Corporate Principles and Values

1. The Duties and Obligations of DCI towards:

- a. Its stakeholders, meaning any entity or individual who possesses a continuing professional interest in DCI.

1) Its Officials and Employees

- a) DCI acknowledges that its most important assets are in its people. DCI is thus committed to enhancing the quality of life of its officers and employees by providing a competitive compensation package. The Company shall always consider the needs of its officers, employees, and their families.
- b) DCI shall provide its officers and employees with opportunities for training and formation, and at the same time assist them in their progressing through a career path. The Company shall provide adequate facilities and working condition for better productivity. DCI shall also promote and nurture a strong corporate culture anchored on Filipino values as its contribution towards a national culture of excellence. DCI shall conduct value development programs, workshop and seminars for its officers and employees with the end in view of strengthening their commitment to excellence in service, promoting ethical and moral values, and cultivating their environmental awareness, nationalism and social awareness.
- c) Promotion is to be strictly performance-based, and Management is to adhere to the rule of merit.
- d) Transparency, the active involvement of all Departments and openness to suggestions shall be lived by policy makers in the Company. Accordingly, Management shall, at every opportune time, hold meetings or dialogues with DCI officers and employees to announce and discuss important decisions on issues affecting the Company, its officers, and employees.

2) Government

Being a government corporation owned by DBP, DCI commits itself to the fulfillment of the special obligations that DBP has contracted with the Philippine government. DCI further commits itself unequivocal support to the government's goal of total growth and development

consistent with its fiduciary duties towards its clients and other stakeholders.

3) Clients

- a) DCI shall provide high-quality, reliable service through excellent customer relations, and offer the most appropriate products to each client.
- b) DCI is primarily a provider of electronic services and technical expertise for computerized projects. It pledges a service of the highest professional standards to its clients.
- c) DCI shall provide its clients with an efficient computerized system in their business processing, business management and servicing, taking into account the complexity of the transaction.
- d) In providing system applications, DCI shall always consider developmental and revenue contribution to the client and the return targets of DCI.
- e) DCI shall always administer its resources in a manner befitting the trust of its clients, adhering to the terms and conditions of the agreements that the Company has executed with the client.

4) Subsidiaries

DCI shall likewise mandate its subsidiaries to observe and adhere to the same DCI Code of Ethics.

5) Regulatory Agencies

- a) DCI commits to provide timely and accurate reports on its operations, and disclose to the appropriate regulator agencies and bodies including, but not limited to, Securities and Exchange Commission (SEC), the Anti-Money Laundering Council (AMLC), all relevant information as required by law.

Relative thereto, DCI shall maintain an effective system of internal controls and system of managing the major risks facing DCI.

- b) DCI commits to remit timely and accurate contributions and dues to the Government such as the Bureau of Internal Revenue, Social Security System, PhilHealth and other government regulatory bodies as they may require.

b. The General Public

DCI also establishes relationships with other individuals or corporations which do not qualify, strictly speaking, as its stakeholders. These include providers of contracted services (e.g., cleaning, construction, maintenance, catering, mailing, etc.), suppliers of office equipment and materials, project consultants, cause-oriented non-governmental organizations, and other institutions in the financial and non-financial sectors. Excellence in these sorts of relationships is measured fundamentally in terms of fairness.

- 1) DCI shall establish ways and means to gather feedback and suggestions from the transacting public or customers with the Company's clients in order to gauge their satisfaction level on the quality of services rendered by DCI and its employees.
- 2) DCI, as a subsidiary, shall take part in the major role of DBP in the promotion of entrepreneurial spirit in keeping with its role as the country's premier development bank.

2. The Duties and Obligations of Officers and Employees towards DCI:

Officers and employees shall strive to render service to DCI to their utmost best, both professionally and humanly (e.g., cooperation, teamwork). They shall not hesitate to go beyond what is strictly demanded of them for the good of the Company.

- B.** DCI officers and employees shall exhibit at all times high standards of behavior and performance. Infractions of prescribed standards of behavior should be duly reported by all DCI officers and employees. The following are the standards of behavior of the DCI, its officers and employees:

1. On Confidentiality

Officers and employees of DCI should observe discretion and respect to the confidential nature of the information available to them in their work, specifically information acquired by virtue of their position. Confidential information and discussions in the Board and Board committee meetings should be treated with utmost confidentiality by DCI officers and employees handling the proceedings of these meetings.

- a. The following acts constitute violation of confidentiality:
- 1) Infidelity in the custody of Company documents
 - 2) Unauthorized disclosure of confidential information

b. On Disclosure of Information and Transparency

- 1) DCI shall make adequately transparent its operations and transactions; and shall comply with reporting and disclosure requirements of regulatory agencies such as the Securities and Exchange Commission, the Anti-Money Laundering Council, and the Bureau of Internal Revenue.
 - 2) In the internal level, Management decisions and actions, especially concerning benefits and personnel action, shall be made reasonably transparent to DCI officers and employees. However, DCI officers and employees should strictly abide with the Non-Disclosure Agreement that they signed for the security of the information they acquire in conduct of their duty.
 - 3) Information, whether verbal or written of a confidential nature, shall not be disclosed even to other officers and/or employees of the Company, unless (a) the disclosure is reasonably necessary for the performance of the work being done, or (b) that the officer or employee concerned secures the written permission of his superiors before making any disclosure.
2. Board members and key officers of the Company shall discharge their duties with transparency, accountability and fairness. In the spirit of transparency and fairness, DCI shall observe the laws and the rules and regulations relative to the disposition by government-owned and/or controlled corporations of their assets and/or properties, and the procurement of materials, supplies and/or equipment. All contractual agreements involving DCI should comply with the laws of the Republic of the Philippines.

3. On Dealing with Conflict of Interest

Conflict of Interest means:

- a. When the officer or employee is:
 - 1) a substantial stockholder;
 - 2) a member of the Board of Directors;
 - 3) an officer of the corporation;
 - 4) an owner or has substantial interest in a business;
 - 5) a partner in a partnership; and
- b. The interest of such corporation or business, or his rights or duties therein, are opposed to or affected by the faithful performance of official duty.

- c. When the officer or employee is related within the 2nd degree of consanguinity or affinity with the owners of the company or major stockholders and officers of the corporation or partnership. Any officer and employee and member of the Board have moral obligation to disclose such information and inhibit themselves from the transaction for whatever capacity. Whenever the Board member has a direct personal interest in the discussion or resolution of any given matter, or any of his relatives within the second degree of consanguinity or affinity has such an interest, said Board member, officer and employee shall inhibit himself from the discussion/deliberation of the matter and shall retire from the meeting. The minutes of the meeting shall note the Board member's inhibition from the deliberation.

For this purpose, the members of the Board shall, at the beginning of their respective terms, disclose to the Board any interests they may have in any corporation, partnership, or association and shall, thereafter, disclose to the Board any changes thereto.

All officers and employees of the Bank who belong to a regulated profession and who practice their profession as part of their employment shall strictly abide by their respective codes of professional responsibility.

4. On Conduct and Behavior

The Company shall conduct its business according to the letter and intent of all applicable laws. DCI officers and employees shall demonstrate high ethical and moral standards of behavior. They shall practice honesty and good faith in their dealings, and observe proper decorum and discipline in their conduct on official time and within DCI and client premises. The use of Company funds and resources for personal use is strictly prohibited. All efforts, complaints and grievances against Management or any person in particular shall in the first instance be addressed through the Company's proper internal authorities in a professional manner to ensure that the DCI's name, image and interests are not prejudiced, including its officers and employees. It shall be the responsibility of all officers and employees to first exhaust internal Company mechanisms to address these grievances.

All officers and employees shall observe the standards on behavior, such as professional honesty, performance of duty, and obedience to authority as embodied in the DCI Personnel Manual.

C. Monitoring of Enforcement of the Code of Ethics and Sanctions for Violations

1. Officers and employees are expected to adhere to the provisions of this Code as a matter of personal responsibility. As part of the monitoring process, officers and employees are also enjoined to report to the disciplining

authority violations of the provisions of the Code of Ethics. Management shall see to it that DCI officers and employees are properly informed and are provided with copies of the Code.

2. Sanctions and Penalties for Violation of the Code of Ethics

To strictly observe and implement the provisions of this Code, appropriate actions, penalties, and sanctions shall be undertaken/imposed in accordance with existing policies, more particularly with the rules on handling administrative cases and all existing laws on the matter.



CLARITO L. MAGSINO
President & CEO

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