

UGEP ethics and business conduct principles





At UGEP, our foundation is built on the highest ethical standards and core values. As we navigate the complexities of the marketplace, we remain steadfast in our founding values.

Our Ethics and Business Conduct Principles guide our interactions with clients, competitors, suppliers, and one another. We strive not only to uphold these principles ourselves but also to work with partners who share our commitment to ethical conduct.

Ethical challenges are inevitable, but we always aim for decisions that can withstand scrutiny. We ask: "Would I want this decision to be a headline tomorrow?"

How we do business is just as important as how much business we do. We resolve always to be ethical, no matter what the challenge, and be proud of our growing reputation as one of the most admired and ethical companies in the Philippines.

Our governing values

Respect

- We aim to be the most respected company in our industry.
- We commit to ethics and integrity.
- We strengthen civility in the workplace.
- We enhance careers through professional development and advancement opportunities.
- We commit to sustainable business practices.

Delivery excellence

- We lead our industry in safety, health, and quality.
- We think like our clients.
- We apply the best resources to our clients' projects.
- We achieve market leadership in delivery of all services.
- We minimize bureaucracy.
- We manage risk, not avoid it.
- We improve business performance.

Employee control

- We build long-term stability.
- We control our destiny.
- We control our destiny.
- We foster a sense of pride.
- We reinvest profits in growing markets, projects, and people

Our ethics and business conduct principles

#1 Responsibilities of UGEP leaders

"The Staff's perception of its leaders is a major factor in motivating and holding strong people.

If their perception is that the leaders are honest, intelligent humans working like mad to advance the company and those in it, the rank and file will respond in kind.

A strong aspect of Leadership is example."

– **RUFINO BOMASANG**, Chairman of the Board

Leading by example, UGEP leaders make ethics and compliance a part of ongoing dialogue at UGEP, not only with employees, but also with customers, suppliers and business partners. They never compromise UGEP's ethical standards. They protect and preserve our most important asset – our reputation – by modelling ethical decision-making every day and expecting the same commitment to ethics from their teams. Our leaders believe that ethical companies outperform unethical companies in every business. Being ethical and doing business with integrity is good for UGEP, for our business, for our customers, and for our employees.



#2 Do the right thing

"Integrity is the all-important prerequisite to employment. The person must be honest with him or herself and others, or we have no foundation on which to build."

– **RUTH YU OWEN**, UGEP President and CEO

In today's complex business environment, one may, from time to time, encounter an ethical dilemma. If we are unsure of the right course of action, we ask ourselves:

- Is my conduct ethical?
- Does the action comply with the UGEP Ethics and Business Conduct Principles and policies?
- Does the action comply with the law?
- Does it feel right?

If the answer is anything other than a resounding "yes", we do not take the action. And we have a duty to UGEP and our fellow employee-shareholders to report known or suspected violations.





#3 Respect for each other

*"We need to be interested in pleasant people
of unimpeachable character
and strong capabilities wherever we can find them."*

– **RUTH YU OWEN**, UGEP President and CEO

In order to advance each other and UGEP, we take it upon ourselves to treat one another with respect and wholeheartedly support our colleagues' efforts.

- **Diversity and inclusion.** We maintain a workforce that is as diverse as the customers we serve. We capitalize on different talents and optimize our collective strengths. We achieve together what we cannot do individually.
- **Non-discrimination.** Discrimination has no place at UGEP. We do not tolerate unequal treatment of any person or group because of certain characteristics such as race, skin color, regional origin, age, religion, gender, gender identity, sexual orientation, disability, or any other status protected by law.
- **Anti-harassment.** We prohibit all forms of harassment. Any conduct that creates an intimidating, hostile, abusive, or offensive environment is unwelcome. In determining whether a conduct constitutes harassment, UGEP focuses on the effect of the action, not the intent of the action.

- **Disrespectful behavior.** If you are boorish, belittling, condescending or demeaning; if you are unreasonably difficult and unpleasant; if you misuse your management authority to bully or intimidate others, you have no place at UGEP.
- **Open communication and goal alignment.** We encourage open dialogue between employees about business processes or problems, individual concerns, or the performance of a project team or the company as a whole.
- **Health, safety, and environment.** Each of us is committed to UGEP's Target Zero goal, which aims for zero work-related injuries and illnesses and minimal environmental impact.
- **Protection of personal information.** We follow reasonable and recommended information security procedures to protect employee privacy and personal information.



#4 Respect for UGEP

"The person closest to the action has the best chance of making the right decision – if the person is properly informed of the firm-wide implications."

– **PIETERJAN VANBUGGENHOUT**, UGEP COO

- **Conflict of interest.** If something does not feel quite right, chances are it is not. We avoid engagements that may result in our personal or financial interests interfering or appearing to interfere with our professional judgement, objectivity, or both. For example, as a general rule, UGEP does not do business with employees or members of their immediate family.
- **Gifts and entertainment.** Accepting or offering gifts or entertainment is generally discouraged at UGEP. We do not solicit or accept any gifts, favors, loans, gratuities, rewards, or any other things of value. Likewise, we do not offer gifts or entertainment to clients to influence their business decisions.
- **Political activities and contributions.** We encourage individual employees to participate in the political process and to support candidates and causes of their choice. UGEP's own political engagement is, however, regulated by the laws and regulations of the Philippines.
- **Relationship with the supply chain.** We treat our suppliers and subcontractors fairly by using a transparent procurement process. We encourage and support small, disadvantaged businesses and those owned by women and minorities.

#5 Respect for clients and the marketplace

- **Environment and sustainability.** Our projects provide long-term, sustainable solutions for our customers and preserve our planet's natural resources for future generations.
- **Anti-trust and competition laws.** We compete ethically on our merits, and in so doing, deal honestly and fairly with our customers, competitors, and suppliers. We strictly adhere to procurement practices established by our clients and the law.
- **Corrupt business practices.** We do not offer bribes to secure business. We do not influence our clients' procurement decisions through improper means. We have zero tolerance for those who violate local anti-corruption and procurement integrity laws. We expect our partners, agents, and subcontractors to embrace the same zero-tolerance policy.



- **Fair treatment of labor.** We respect and protect the rights of those who work on our projects. We provide reasonable working conditions and fair wages. We do not tolerate the use of forced labor and other human trafficking practices.
 - **Employment of government officials.** We comply with all restrictions on employment of government officials.
 - **Confidential information belonging to customers, suppliers, and partners.** We protect confidential information belonging to our network. This confidentiality obligation continues even after our employment at UGEP ends.
 - **Competitive information.** We do not need our competitors' confidential information in order to be successful. We never ask our colleagues to reveal information about former employers, customers, or business partners if this disclosure violates confidentiality obligations.
 - **Accurate financial reporting.** We are a publicly registered and reporting company, subject to financial and internal control regulations of the Philippines. We disclose our financial conditions accurately and in a timely manner.
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