



GENERAL

POLICY ON INSIDER TRADING

CHANGE / AMENDMENTS / MODIFICATION HISTORY

Version No.	Date	Change		Author	Approved by
		Section	Particular		
1		NA	NA	Omar C. Taccad	Board of Directors

TABLE OF CONTENTS

1. PURPOSE / OBJECTIVE	4
2. SCOPE.....	4
3. DEFINITION OF TERMS	4
4. POLICY PROVISIONS.....	7
5. NON COMPLIANCE.....	8

1. PURPOSE/OBJECTIVE

Concepcion Industrial Corporation (the “Company” or “CIC”) is committed to protecting its investors and ensuring that transactions concerning its securities are fair, efficient and transparent.

This Policy seeks to inform and ensure compliance by the Company and its Directors, Officers and Employees of their obligations under the Securities Regulations Code and other applicable laws, rules and regulations pertaining to trading or dealing with the Company’s securities.

2. SCOPE

This Policy applies to the Company and its subsidiaries, and shall cover everyone in the organization who receive, have access to, or are in possession of Material Non-Public Information, including all Directors, Key Officers, Employees and Consultants.

3. DEFINITION OF TERMS

3.1 The following terms are used in this Policy with the respective meanings ascribed to such terms below, except as the context may require otherwise:

“*Blackout Period*” shall mean the period of time during which Covered Persons are prohibited from trading (buying or selling) in Company Securities, which shall encompass the following:

- (a) the time from which the Covered Person comes into possession of Material Non-Public Information until two (2) trading days after such information is disclosed to the public;
- (b) in case of Structured Disclosures it shall be ten (10) trading days before and two (2) trading days after disclosure; and
- (c) in case of Unstructured Disclosures it shall be immediately on the day of disclosure and two (2) trading days after disclosure.

“*Company Securities*” shall mean the Company’s shares of stock, options to purchase the Company’s shares of stock, and other evidences of indebtedness of the Company such as but not limited to bonds and notes.

“*Covered Persons*” shall include the following:

- (a) Directors;
- (b) Key Officers;
- (c) Employees who receive, have access to or are in possession of Material Non-Public Information;
- (d) Consultants of the Company; and
- (e) Relatives of (a) to (d) above who are living in the same household with them.

“*Directors*” shall mean the duly elected members of the Board of Directors of the Company.

“*Employees*” means all employees of the Company and its subsidiaries who are not Key Officers.

“*Key Officers*” shall mean all Officers, members of the Executive Committee of the Board of Directors, and all Business Unit heads of the Company and its subsidiaries.

“*Officers*” shall mean all officers of a corporation designated as such in its by-laws or indicated in its latest General Information Sheet.

“*Material Non-Public Information*” refers to any fact or information that has not been generally disclosed to the public that if disclosed: (a) would likely affect the market price of the Company Securities, or (b) would be considered by a reasonable person important under the circumstances in determining his course of action whether to buy, sell or hold a Company Security.

While it is not possible to define all categories of information deemed material, there are various categories of information that are particularly sensitive and, as a general rule, should always be considered material in nature. Such material information include, but are not limited to:

- Financial results;
- Projections of future earnings or losses;
- News of pending or proposed merger;
- Change in the corporate structure eg. a reorganization;
- Acquisition/Divestitures/Joint venture;

- Dividend declaration and changes in dividend policy;
- Stock splits;
- New significant equity investments or debt offerings;
- Significant litigation exposure;
- Major changes in key senior management positions;
- Public or private sale of company securities.

“*Relatives*” means persons up to the third degree by consanguinity, affinity or legal adoption including the spouse, parents, children (and their spouses) siblings, (and their spouses), nieces and nephews (limited to children of brothers or sisters) [and their spouses], grandparents, and aunts and uncles (limited to sisters or brothers of parents); and the common-law spouse and/or his relatives up to the third degree, by consanguinity, affinity or legal adoption.

“*Structured Disclosures*” are the defined periodic reportorial requirements required by the Securities and Exchange Commission (SEC), Philippine Stock Exchange (PSE) and the Philippine Dealing Exchange Corporation (PDEX) such as the annual and quarterly financial reports.

“*Unstructured Disclosures*” shall mean any material fact or event that occurs, not covered by the Structured Disclosures, which would reasonably be expected to affect investors’ decisions in relation to the trading of its securities.

4. POLICY PROVISIONS

4.1 Restrictions on Trading

- 4.1.1 All Covered Persons are prohibited from trading (buying or selling), either directly or indirectly, any Company Securities during the Blackout Period.
- 4.1.2 The Compliance Officer may declare a special Blackout Period as he may deem proper.
- 4.1.3 To avoid possible violation of this Policy, a Covered Person may consult the Office of the Compliance Officer prior to any trading of Company Securities.
- 4.1.4 The Compliance Officer is tasked to announce or disseminate Blackout Period at least ten (10) days prior to the release of structured reports or on the day of release for unstructured reports.

4.1.5 The Company or its subsidiaries, or any of their respective Directors, Key Officers, Consultants, Advisers or Employees covered by this Policy shall be responsible for relaying the Blackout Period announcement to their Relatives for their guidance.

4.1.6 All Covered Persons are required to report to the Compliance Officer their dealings in Company Securities within one (1) day from date of transaction.

4.2 Reports by Directors and Officers

4.2.1 The Company's Directors and Officers are required under the Securities Regulations Code to report their beneficial ownership of Company Securities as well as any change in such beneficial ownership to the SEC and PSE. To ensure that such reportorial requirements are complied with, a Director or Officer must inform the Compliance Officer of:

- (a) his/her beneficial ownership in Company Securities within one (1) day after his election or appointment, and
- (b) his/her acquisition or disposal of any Company Securities within one (1) day from the date of the transaction.

For purposes of the reportorial requirements of the SEC and PSE, a Director's or Officer's beneficial ownership of Company Securities shall include Company Securities that are:

- Directly owned by the Director or Officer;
- Held by a Relative of the Director or Officer sharing the same household;
- Held by a partnership where the Director or Officer is a general partner;
- Held by a corporation in which the Director or Officer is the controlling shareholder; or
- Subject to a contract which gives the Director or Officer voting power with respect to such securities.

4.2.2. The Company shall report Directors' and Officers' dealings in Company Securities within two (2) days from the date of transaction to the SEC and PSE.

5. NON-COMPLIANCE

POLICY ON INSIDER TRADING

Any violation of this Policy shall be subject to disciplinary action without prejudice to any civil or criminal proceedings which the Company or regulators may file for violation of existing laws. Insider trading under the law may be subject to penalty for damages or fine and/or imprisonment.