

CODE OF CONDUCT AND ETHICS

San Miguel Corporation (the "Company") fully recognizes that adherence to the highest standards of business conduct is vital to its growth and success as a leader in the food and beverage industry in the Asia-Pacific. As such, the Company is firmly committed to the promotion of a culture that fosters and maintains the core values of fairness, transparency, accountability and integrity in the conduct of its business and expects each of its directors, officers and employees (the "Employees") to observe with zeal such core values in the performance of their duties, in their relationships with fellow Employees and in all their dealings with shareholders, customers, suppliers, government and the general public.

For this purpose, the Company establishes below the fundamental standards of conduct and values consistent with the principles of good governance and business ethics. These standards of conduct and values shall guide and define the actions and decisions of the Company's and its subsidiaries' Employees, and each Employee commits to adhere to them at all times.

Each Employee shall:

Passion for Success

- constantly strive for excellence. He shall be the best he can be and create value in everything he does. He shall be proactive and entrepreneurial, propelled by a sense of urgency, competitiveness and total dedication to results.

Teamwork

- work toward shared aspirations, transcending boundaries along functional and organizational lines with trust and respect for each other and with unity in purpose.
- avoid circumstances and positions that actually or potentially conflict with the Company's interest or interfere with his loyalty and objectivity in his business dealings and relationships.

Customer Focus

- strive for the Company to be the customer's preferred choice. Customers will choose the Company's products and services above others because the Company provides them with products and services that exceed their expectations.
- build and strengthen business relationships on the basis of merit, mutual interest, candor and fair competition, and avoid profit or gain of competitive advantage through manipulation, abuse of privileged information, concealment, misrepresentation and other illegal or unethical practices.

Accountability for Actions

- take full responsibility for all his actions and decisions, and discharge his duties conscientiously, honestly and efficiently.
- uphold and regard as paramount the Company's interest in the undertaking of business strategies, opportunities and endeavors, with deliberate and full evaluation and management of attendant risks and the end view of enhancing and maximizing shareholder value.
- comply with and respect all applicable laws, rules and regulations governing the Company's business, in all jurisdictions where such is conducted.

Respect for People and Property

- recognize each other as individuals and commit to nurturing each other's individual capabilities. Each Employee commits to uplift the dignity of labor by encouraging each other to the best in their fields, and create an environment that encourages open communication, camaraderie and professional growth.
- respect and preserve Company assets and property by ensuring that they are used efficiently and solely for legitimate business purposes, and accord the same to the assets and property of others.
- safeguard and maintain the confidentiality of knowledge or information on the Company's products, business strategies, processes, and systems.

Innovativeness

- encourage creativity and ingenuity in the Company's processes and systems, products and services, forever looking for ways to outdo himself, always striving to be the first to anticipate consumer needs and deliver something better.

Integrity

- conduct business in a manner which is ethical, fair and right, and in all reasonable circumstances, above reproach.
- compete fairly and honestly. Each Employee believes in profit with honor and is committed to good governance and the highest moral standards in the performance of his duties and responsibilities.
- ensure the integrity of the Company's records, books and accounting and endeavor to fully, fairly, timely and accurately report and disclose material Company information.
- exercise utmost discretion in accepting personal favors or gifts from persons seeking or doing business with the Company, and refuse to grant personal favors, or decline any gift or benefit, that may compromise the independence of the Company, create a sense of obligation on its part or potentially influence its business judgment.

Social Responsibility

- Strive towards good corporate citizenship and contribute positively to the promotion of social responsibility in the community in which he lives and works by supporting activities and programs geared towards community welfare and environmental protection.

This Code shall be reviewed [annually] or as may be deemed necessary by the [Company]. Employees who fail to comply with the standards and abide by the values set forth in this Code shall be subject to disciplinary action, including termination, as the Company may deem appropriate to the nature of the violation, without prejudice to Company's right to avail of criminal and civil remedies available to it under law. The Company will not tolerate any retaliation in any form against any Employee who, in good faith, raises a concern or reports a possible legal or ethical violation under this Code.