

# SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 17-C

### CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)  
Mar 21, 2017
2. SEC Identification Number  
PW538
3. BIR Tax Identification No.  
000-225-442
4. Exact name of issuer as specified in its charter  
FAR EASTERN UNIVERSITY, INC.
5. Province, country or other jurisdiction of incorporation  
Philippines
6. Industry Classification Code(SEC Use Only)

7. Address of principal office  
Nicanor Reyes Street, Sampaloc, Manila  
Postal Code  
1015
8. Issuer's telephone number, including area code  
(632) 735-8686
9. Former name or former address, if changed since last report  
-

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON	16,477,023

11. Indicate the item numbers reported herein  
1

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# Far Eastern University, Incorporated

## FEU

**PSE Disclosure Form 4-30 - Material Information/Transactions**  
*References: SRC Rule 17 (SEC Form 17-C) and  
Sections 4.1 and 4.4 of the Revised Disclosure Rules*

### Subject of the Disclosure

Approval of Code of Business Conduct and Ethics

### Background/Description of the Disclosure

The Board of Trustees of Far Eastern University, Inc. at its meeting held on 21 March 2017 approved the attached Code of Business Conduct and Ethics.

### Other Relevant Information

Amendment is to include the letter of the Corporate Secretary.

### Filed on behalf by:

<b>Name</b>	MA. CRISTINA TALAMPAS
<b>Designation</b>	ADMINISTRATION MANAGER



# FAR EASTERN UNIVERSITY



21 March 2017

Disclosure Department  
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[www.feu.edu.ph](http://www.feu.edu.ph)

Attn.: Mr. Jose Valeriano B. Zuño III  
OIC – Head

Gentlemen:

We wish to report that the Board of Trustees at its meeting held today, 21 March 2017, approved the attached Code of Business Conduct and Ethics.

Very truly yours,

FAR EASTERN UNIVERSITY

  
SANTIAGO L. GARCIA, JR.  
Corporate Secretary



FAR EASTERN UNIVERSITY

**CODE OF BUSINESS CONDUCT AND ETHICS**

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## MESSAGE FROM THE PRESIDENT

As an institution dedicated to the search for truth through teaching, scholarship, and research, Far Eastern University is committed to excellence and integrity in all its endeavors. In this way, Far Eastern University maintains the trust and confidence of both the University community and the public. To a substantial degree, our University's public image is determined by our actions and by the way each and every one of us presents and conducts himself or herself. We all share the obligation of having our University meet its corporate social responsibilities.

This basic statement of our Corporate Principles constitutes the foundation of the Code of Business Conduct and Ethics. Both our strategic considerations and our day-to-day business must always be based on high ethical and legal standards.

Far Eastern University trustees, officers, and employees are expected to undertake their responsibilities on the University's behalf with diligence and professionalism and to comply with the highest standards of honesty, integrity, and fairness. This includes, but is not limited to, being respectful of the rights of others and being forthright in all dealings with members of the University community as well as with third parties; protecting the privacy of confidential information; and complying with all applicable laws, rules, and regulations. University representatives should not place their personal interests above the best interests of the University; even the appearance of impropriety must be avoided.

The Code of Business Conduct and Ethics constitutes a set of binding rules applicable to every employee. These rules help us meet ethical and legal challenges in our day-to-day work. Any employee who has questions or comments on the Code may contact his or her superior or the Compliance Officer.

(Sgd) Dr. Michael M. Alba  
President

## 1. Scope

This Code of Business Conduct and Ethics applies to all Far Eastern University trustees, officers, and employees (who, collectively, will be referred to as the “Covered Parties”). It is not intended to replace – indeed, it may be complemented or supplemented by – specific University policies that have been adopted in the past or that may be adopted in the future. This Code may be amended or supplemented from time to time by the Board of Trustees or the Corporate Governance Committee of the Board.

## 2. Purpose

The University has upheld and will continue to uphold the highest levels of ethics and integrity in all its affairs. To this end, this Code of Business Conduct and Ethics serves to:

- 2.1. emphasize the University’s commitment to ethical conduct and compliance with the law;
- 2.2. set forth the basic standards of ethical and legal behavior;
- 2.3. provide reporting mechanisms for known or suspected ethical or legal violations; and
- 2.4. help prevent and detect wrongdoing.

Given the variety and complexity of ethical questions that may arise in the course of carrying out the University’s business, this Code can serve only as a general guide. Confronted with ethically ambiguous situations, Covered Parties should keep in mind the University’s commitment to the highest ethical standards and seek advice from appropriate sources to ensure that this commitment is honored at all times.

## 3. FEU Core Values

Our University’s foundation is built on our values, which distinguish us and guide our actions. We conduct our business in a socially responsible and ethical manner. We respect the law, support universal human rights, protect the environment, and benefit the communities where we work.

- FORTITUDE** – A Tamaraw is characterized by fortitude. Moral courage and strength of character allow Tamaraws to persevere and achieve more than is expected of them.
- EXCELLENCE** – A Tamaraw is characterized by excellence. The FEU academic community is committed to striving to perform at its fullest potential thus creating a culture of excellence.
- UPRIGHTNESS** – A Tamaraw is characterized by uprightness. Full development of morality and integrity is among the primary purposes of FEU as an educational institution.



#### **4. About the Code of Business Conduct and Ethics**

The Code helps us to understand how Far Eastern University's values are put into practice every day. Far Eastern University's Code of Business Conduct and Ethics is built on our core values and highlights the principles that guide our business conduct. It provides questions and answers for situations that Covered Parties may encounter in their work for the University and lists resources for help or further information.

However, the Code cannot address every possible workplace situation or list all of Far Eastern University's corporate policies and procedures. Hence, it should be used for guidance about FEU's ethical standards and where questions or concerns about business conduct and ethics arise.

When the Covered Parties follow the Code, they communicate their commitment to the values that have made Far Eastern University admired as both an educational institution and a valued corporate citizen of the community. Correspondingly, when any of the Covered Parties violates the Code, they stain the good name of the University. To curtail these adverse behaviors, violations of the Code or of policies referred to in the code may thus be meted with disciplinary action, including termination of employment or criminal prosecution, or both.

How to use the Code:

- Read the Code in its entirety.
- Think about how the Code applies to your job and consider how you might handle situations to avoid improper, illegal, or unethical actions.
- Use the questions and answers to help clarify situations that you may encounter.
- If you have questions or comments, please bring them to the attention of your supervisor, a manager of Human Resources, or the Compliance Officer.

##### **4.1. Ethical Decision Making**

Ethical decision making is essential to the success of our University. Some decisions are obvious and easy to make; others are not. When faced with a difficult situation, asking ourselves the questions below can help us to make the right ethical decisions.

Four "yes" answers are required to qualify an action as ethical and in consonance with Far Eastern University's values.

###### **4.1.1. Is it legal?**

If you think an action may be illegal, do not proceed with it. If you need information about which laws apply in a given situation, talk with your supervisor, manager, or Far Eastern University's Legal Department.

**4.1.2. Is it consistent with University policies?**

If the proposed action does not comply with University policy, you should not do it.

**4.1.3. Is it consistent with the Far Eastern University Core Values?**

Consider whether the action would be consistent with our University's core values.

**4.1.4. If it were made public, would I be comfortable?**

Ask yourself if you would make the same decision if you knew that it would be reported on the front page of tomorrow's newspaper.

**5. Role and Responsibility of all Employees**

All employees must obey the letter and spirit of the law at all times and in all places of work. Each of the cities or regions where FEU operates has its own laws, regulations, informal norms, and customs. Regardless of where they work, employees are responsible for respecting all applicable laws and following the policies in our Code:

**5.1. Authority**

Each employee must understand the level of authority included in his or her job. Employees must all be careful to act within the limits of that authority.

**5.2. Guidance**

No code or manual can provide complete answers to all questions. Ultimately, employees must rely on their good sense of what the University's high standards require. This includes knowing when to seek guidance on the proper course of action. Employees should expect timely and specific guidance from their respective supervisors, managers, the FEU Legal Department, or the Compliance Officer.

Some jobs require more detailed knowledge of particular compliance topics than this Code provides. In this case, managers or supervisors are expected to direct their respective employees to the appropriate information in the University's Policies.

**5.3. Compliance**

Each employee must comply with this Code and with all University policies. If an employee fails to do so, he or she may face disciplinary action, possibly including termination. Likewise, any employee, supervisor, manager, officer, or director who is aware of any violation and does not promptly report and correct it may be subject to similar consequences.

#### **5.4. Reporting Possible Violations**

Each employee must speak up promptly if there is any reason to suspect that anyone in Far Eastern University or its affiliates has violated University policies or local laws. Employees must also report any activity that could damage the University's reputation. *(Please refer to Whistle Blowing Policy.)*

#### **5.5. Non-Retaliation Policy**

Far Eastern University does not tolerate any form of retaliation for reports made in good faith. This includes blatant actions, such as firing, transferring, demoting, or publicly attacking someone in any form, including social media, as well as more subtle actions or inactions, such as avoiding persons who may have submitted or have been assigned to investigate the report, leaving these persons out of professional or social activities, and so on. The ban on retaliatory actions covers all members of the Covered Parties.

### **6. Basic Behavioral Requirements**

#### **6.1. Behavior which Abides by the Law**

Observance of the law and the legal system is a fundamental principle for our University. Every employee shall obey the laws and regulations of the legal systems. Violating the law must be avoided under all circumstances, especially violations punishable by imprisonment or fines. Any employee guilty of a violation will be liable to disciplinary consequences if there is violation of his/her employment duties.

#### **6.2. Responsibility for the Image of Far Eastern University**

The image of Far Eastern University is determined by the actions of its employees and by the way each and every employee presents and conducts himself or herself. Inappropriate behavior on the part of even a single employee can cause the University considerable damage.

Every employee should be concerned with the reputation of Far Eastern University. In all aspects of performing his or her job, every employee must focus on maintaining the good reputation of and the respect for the University.

#### **6.3. Mutual Respect, Honesty, and Integrity**

Employees must respect the personal dignity, privacy, and personal rights of every individual. The University being an equal-opportunity employer, FEU employees are women and men of various nationalities, cultures, religions, and races. Neither discrimination nor harassment nor giving offence in connection with national origin, culture, religious affiliation, race, or gender identity is tolerated for any reason whatsoever.

#### **6.4. Management, Responsibility, and Supervision**

Every manager bears responsibility for the employees entrusted to him or her. Every manager must earn the respect of his or her subordinates by exemplary personal behavior, performance, openness, and social competence. He or she should set clear, ambitious, but realistic goals. He or she should lead by trust and confidence, and afford his subordinates with as much individual responsibility and leeway as possible. Every manager should also be accessible in case employees wish to discuss a professional or personal problem.

It is every manager's responsibility to see to it that no laws are being violated within his or her area of responsibility that proper supervision could have prevented or rendered more difficult. The manager remains liable whether or not he or she delegates particular tasks.

### **7. Treatment of Business Partners and Third Parties**

#### **7.1. Abiding by Fair Competition and Anti-Trust Legislation**

It is only under fair competition that an organization can develop freely in the industry in which it operates. Employees are thus obligated to perform their work with the highest integrity and to ensure there is fair competition in dealing with business partners and third parties.

An anti-trust violation can be difficult to detect in one transaction. Anti-trust violations are more readily determined when certain types of behavior are done on a regular basis such as price fixing, bogus offers during bidding, or dividing up suppliers.

#### **7.2. Offering and Granting Advantages**

7.2.1. No employee may directly or indirectly offer or grant unjustified advantages to others in connection with business dealings.

7.2.1.1. Untoward business dealings may include, but are not limited to, concluding contracts with consultants, contractors, suppliers, or comparable third parties with either monetary payment or any grant of benefits that are not specified in the contract.

7.2.2. Gifts must not be made to public officials or other civil servants.

#### **7.3. Demanding and Accepting Advantages**

No officer or employee may use his or her job title to demand, accept, or obtain corporate entertainment or gifts, regardless of the value, which can be viewed as having an influence in the manner with which the officer or employee may discharge his or her duties.

#### **7.4. Donations**

As a Corporate Citizen, Far Eastern University makes monetary donations for education; science, arts, and culture; and the public welfare. FEU may receive requests for donations from the most varied of organizations, institutions, and associations. Granting or receiving donations must comply with the policy governing donations.

#### **8. Avoiding Conflicts of Interest**

Conflict of interest situations arise when the personal interests of employees compete or conflict with the interests of the University. The University considers it important to prevent its employees from succumbing to conflicts of interest or of loyalty in their professional activities. Such conflicts can come about if an employee is active on behalf of, or has interests in, another University. Employees should avoid conflict of interest situations, actual or potential, which may compromise the integrity of the employees and put FEU's interests or reputation at stake. *(Please refer to Policy on Avoiding Conflict of Interest.)*

#### **9. Handling of University Property**

The devices and equipment in offices (such as telephones, copying machines, PCs, printers, software, wifi and LAN equipment, digital projectors, and other machines and tools) are to be used only for University business.

No employee shall be permitted without the consent of his or her superior to make records, databases, video or audio recordings, or reproductions unless this is directly due to University business.

#### **10. Handling of Information**

##### **10.1. Use of Proprietary Information**

All employees have an obligation to manage information such that that information remains protected either during or after their employment with FEU. Furthermore, information which employees create or acquire while performing their duties is the property of the University. It is the responsibility of each employee who has access to, or is in control of, proprietary information to provide adequate safeguards or confidentiality undertakings to prevent its abuse or misuse.

##### **10.2. Records and Reports**

Any record or report produced internally or distributed externally must be accurate and truthful. According to proper bookkeeping principles, data and other records must always be complete, correct, and appropriate in terms of time- and system-references.

### **10.3. Retention of Records**

Certain records of University information, in hard or electronic copy, are required to be retained for various specified periods of time for legal and regulatory reasons. Each business unit of the University should make itself aware of, and review carefully, University policies governing record-retention periods, including those required by law.

GE 10

### **10.4. Confidentiality**

Confidentiality must be maintained with regard to internal corporate matters which have not been made known to the public. The obligation to maintain confidentiality shall extend beyond the termination of the employment relationship.

### **10.5. Data Protection and Data Security**

Access to the Internet, electronic information exchange and dialogue, and electronic business dealings are crucial requirements for the effectiveness of each and every employee and for the success of the University as a whole. However, the advantages of electronic communication are tied to risks in terms of personal privacy protection and data security. Effective foresight with regard to these risks is an important component of IT management, the leadership function, and the behavior of each employee.

### **10.6. Insider Trading Rules**

Insider information means any information which is not public knowledge and which can be used to influence an investor's decision to purchase, sell, or keep a security. In order to avoid even the appearance of a violation of the insider trading rules, the members of the Board of Trustees, officers, and employees who have direct or indirect knowledge, from time to time, of material facts or changes in the affairs of the University, which have not been disclosed to the public, including any information likely to affect the market price of the University's shares, are restricted to buy or sell Far Eastern University shares during the period stipulated in the Insider Trading Rules and Policy. *(Please refer to Policy on Insider Trading Rules.)*

## **11. Disclosure**

Far Eastern University is committed to uphold and observe the value of transparency. It ensures that timely disclosures are made of material information and transactions that could potentially affect the market price of the Company's shares such as earnings results, acquisition or disposal of significant assets, off balance-sheet transactions, related party transactions, Board membership changes, shareholdings of Directors and Officers and any changes thereto, remuneration of Directors and Officers, and such other information which are required to be disclosed pursuant to the pertinent to the disclosure requirements of the Philippine Securities and Exchange Commission and the Philippine Stock Exchange.

## 12. Environment, Safety, and Health

### 12.1. Environment and Technical Safety

Protecting the environment and conserving its resources are high-priority targets of our University. Management ensures compliance with environmental laws.

### 12.2. Work Safety

Responsibility vis-à-vis employees and colleagues requires the best possible accident-prevention measures. This applies both to the planning of workplaces and processes and to safety management and personal behavior in the everyday workplace. Every employee must constantly be conscious of protection and be attentive to safety.

### 12.3. Employee Health

FEU places the highest priority on the health and safety of our workforce. All employees are expected to comply the University's policies on health maintenance programs, i.e., Annual Physical Examinations.

## 13. Complaints and Comments

In order to address violations and complaints, FEU has implemented a whistle blowing policy. Any employee may, in good faith, lodge a personal complaint or indicate circumstances that point to a violation of the Code of Business Conduct and Ethics, University Policies or local laws with his or her supervisor, the Human Resources Manager, or the Compliance Officer. All documentation will be kept confidential. No reprisal of any kind will be tolerated.

## 14. Implementation and Controlling of the Code

- 14.1. This Code shall be distributed to all officers and employees who shall signify that they have received, read, and understood this Code by signing an **Individual Confirmation (Annex D)** to this effect.
- 14.2. Re-orientation on the Code shall be conducted once every two years and each officer and employee shall sign the Individual Confirmation after such re-orientation.
- 14.3. The Code shall be part of the induction program for new employees.
- 14.4. An officer or employee who becomes aware of any violation of this Code shall immediately notify the Compliance Officer. The Compliance Officer shall take all the necessary actions to investigate any reported violations.
- 14.5. Any officer or employee who commits a violation of this Code, after due process, shall be subject to disciplinary action, without prejudice to any civil or criminal proceedings that the University or regulators may file for violation of existing laws.

- 14.6. There shall be no exceptions from or waivers of any provision of this Code.
- 14.7. The Compliance Officer shall be responsible for implementing and monitoring compliance with the Code. The Compliance Officer shall also have the authority to decide any issues that may arise in connection with the implementation of this Code.
- 14.8. The management of Far Eastern University and its subsidiaries shall actively foster the widespread distribution of the Code of Business Conduct and Ethics and see to it that they are implemented permanently.