



Business Conduct and Professional Ethics Code

February, 2004

1.0 A Letter from the Chief Executive Officer

2.0 Background

3.0 Business and Professional Conduct Guidelines

3.1 Compliance with Policies, Laws, Rules and Regulations

3.2 Conflicts of Interest

3.2.1 Outside Employment, compensations and directorships

3.2.2 Investments

3.2.3 Use the Company's time and assets for personal benefit

3.2.4 Loans to employees

3.2.5 Acceptance of presents, gifts and entertainment

3.2.6 Working relationship

3.2.7 Civic and service activities

3.3 Corporate Opportunities

3.4 Use of privileged information and dealing with securities issued by Vitro

3.5 Confidentiality and proprietary information

3.6 Deal fair and honest to customer, suppliers, competitors and employees

3.6.1 Our customers

3.6.2 Our suppliers

3.6.3 Our competitors

3.6.4 Our employees

3.7 Competition Restrictions

3.8 Money laundering operations

3.9 Environment care

3.10 Protection and proper use of company assets

3.11 Accuracy in Accounting Records

3.11.1 Authorization of access to the Company assets and transactions registry

3.11.2 Accuracy in accounting records

3.11.3 Proper payments

3.11.4 Appropriate controls

3.12 Complete, accurate and timely disclosure

3.13 Discrimination and harassment

3.14 Health and safety

3.15 Payment bribes, gratification, and contributions

3.16 Waiver of observance of the standards contained in the Code

3.17 Cooperation in investigation performed by an Authority

3.18 Audit, investigations and disciplinary actions

3.19 Hot Line

A Letter from the Chief Executive Officer



In Vitro we are unconditionally committed to the highest level of integrity in all we do inside and outside of the company. Therefore we have issued a Business Conduct and Professional Ethics Code that include provisions based on strict adherence to respect of laws governing the conduct of all aspect of our business.

In some cases the Code's provisions, go beyond legal obligations with the clear intention to reflect the values and principles of our Company, including reinforcement of best practices in México and worldwide and to increase transparency to our investors and employees.

Without exception all Vitro's employees worldwide at all levels, are obligated to comply in both word and action to this Code's provisions.

To support compliance of these provisions, Vitro is launching a communication plan and training sessions, to ensure that all employees become familiar with the Business Conduct and Professional Ethics Code and Vitro's expectations of each one of us.

I extend an invitation to all to continue promoting and strengthening our values in order to achieve our goals and future challenges.

Sincerely,

Federico Sada
Chief Executive Officer

Based on the values promoted within its organization, Vitro is committed to achieve high standards of business conduct and professional ethics, relying on the integrity of its personnel, who should at all times act responsibly and professionally, complying with the Vitro's policies and guidelines, and with the laws, standards and regulations of each country where Vitro does business.

In order to guarantee that employees' decisions made in the performance of their duties are in the best interest of Vitro and adhere strictly to the law, free of any inappropriate conduct that might economically or morally harm the organization, Vitro, through this Code, has established conduct and ethics provisions which should be observed at all times by all employees wherever employed within the Vitro organization. This Code also establishes a hot line to support and survey compliance with this Code, guaranteeing confidential and professional treatment to those subject to it.

3.1 Compliance with Policies, Laws, Rules and Regulations

Employees must know and comply with the policies and guidelines established by Vitro, as well as with the laws, rules and regulations establishing obligations for Vitro in the countries where Vitro operates, avoiding at all times involving Vitro in practices contrary to law.

Contractual agreements entered by Vitro with other entities, such as: confidentiality agreements, lease agreements, intellectual property license agreement and any other, should be strictly observed.

Employees are obligated to confirm, through execution of the Acknowledgement and Observance Certificate, their personal knowledge of and compliance with Vitro policies and guidelines provided by this Code.

The contents of this Code shall be published throughout the Vitro organization through training course which shall be incorporated as a mandatory subject at the @utodesarrollate program or any other course available for this purpose, which should be attended and satisfactorily completed by all employees.

3.2 Conflicts of Interest

At the time when any actual or apparent conflict of interest situation is known by an employee, such employee is obligated to disclose such conflict for evaluation, through a free style writing addressed to the Vitro Internal Audit Department, that will notify to the Vitro Legal Department. Failure to timely notify, shall be considered an offense, the seriousness of which shall be gauged by the effect of such failure.

3.2.1 Outside Employment, compensations and directorships

Employees may not receive remuneration of any kind either directly or indirectly from any competitors, customers, distributors, suppliers or governmental entities, for providing services, negotiations or any other activities on behalf of Vitro.

Members of Vitro's Board of Directors will be relieved automatically from this obligation when the performance of such member's activities are not in conflict with Vitro's interests and if prior written authorization from the President and Chief Executive Officer is issued.

L3.2.2 Investments

Employees should not own directly or indirectly through family members or friends, any financial interest in competitors, customers, distributors or suppliers of Vitro, in which the decision making on behalf of Vitro may be either directly or indirectly influenced. All such investments must be reported immediately to Vitro Internal Audit Department, where the Executive Vice President Administration in conjunction with the Executive Vice President Human Development and General Counsel, shall be responsible for evaluating the effect of such investments.

3.2.3 Use the Company's time and assets for personal benefit

Employees should not spend company time or resources in off-company work or in activities not considered appropriate to the duties the employee performs. No employee may use a supervisory position over another employee to obligate a subordinate to perform such jobs or activities. Charitable works performed by an employee during time for which such employee is compensated by Vitro for community organizations, educational or religious organizations will be include in the Donations Policy.

3.2.4 Loans to employees

Loans with Vitro's funds to employees for personal reasons can present a conflict of interest and, in some cases such loans are prohibited by law in the case of executive officers and members of Vitro's Board of Directors. Therefore, granting any kind of loan with Vitro's funds to any employee should be authorized by the Executive Vice President Human Development and General Counsel. This provision shall not apply to short term travel advances to employees as such loans are extended to enhance Vitro's business activities.

3.2.5 Acceptance of presents, gifts and entertainment

Employees shall avoid from soliciting or accepting for himself/herself or his/her relatives, favors, presents, gifts, courtesies or entertainment from competitors, customers, current or prospective distributors and suppliers. Any gifts received must be limited to small value promotional items granted as a generalized commercial practice.

Employees may accept reasonable hospitality and gratuities in the context of handling negotiations in pursuance to Vitro's interest, and may also reciprocate such reasonable hospitalities and gratuities.

3.2.6 Working relationship

Labor relationships shall be free of any influence or favoritism to insure that everybody receives the same job and development opportunities.

An employee's family member should not work in areas where an employee supervises, manages, exercises influence or holds authority on wages, performance, task assignments, disciplinary actions or job opportunities.

Whenever an employee has knowledge that a business either owned or controlled directly or indirectly by a friend or relative or where a friend or relative works applies to become a Vitro service or product supplier, such employee shall avoid from personally exerting any influence to negotiate in favor of such provider or supplier. If such employee's duties on behalf of Vitro would normally require either the direct or indirect participation in any negotiation or consideration related to business conducted or to be conducted which such relative or personal friend, such employee shall excuse himself/herself from such participation and shall report such situation to his/her immediate supervisor, who shall take the necessary preventive measures to protect Vitro's interests.

Employees shall avoid associating with supervisor, subordinates or friends to commit dishonest acts which may harm Vitro's interest. When such employee's responsibilities cannot be carried out objectively due to the pressure exerted from others to act dishonestly, it shall be reported to the Vitro Internal Audit Department.

3.2.7 Civic and service activities

Employees are free to participate at any civic, charitable, educational, religious or political activities in its community. However any statements made shall clarify that such statement constitutes such employee's personal point of view, and not necessarily the view of Vitro.

In any relationship between an employee acting on behalf of a community organization and where such organization conducts any business, either directly or indirectly with Vitro, such employee should remain neutral and avoid exerting any direct or indirect influence in such activities.

Employees may not perform lobbying activities with community authorities, and official entities on behalf of Vitro, without the express written authorization from the Executive Vice President Human Development and General Counsel. For Members of Vitro's Board of Directors the authorization will be granted by the President and Chief Executive Officer.

3.3 Corporate Opportunities

Employees may not appropriate for their own benefit or for any other person or entity, the use of the name Vitro, as well as the benefits of any negotiation or potential investment, whether as leaders or members of a Vitro negotiating team.

Employees may not compete, either direct or indirectly, against Vitro. Employees shall notify Vitro Internal Audit Department immediately of any negotiation or potential competition, whereupon the Vitro Legal Department shall evaluate the propriety of any continued competition.

3.4 Use of privileged information and dealing with securities issued by Vitro

Vitro's proprietary information shall be treated confidentially and its disclosure should be avoided, with the exception of those persons whose position and duties require knowledge of such information.

Improper use of Vitro privileged and non-public information, even in good faith, such as a recommendation to purchase or sell any kind of Vitro's securities, constitutes a breach of legal provisions. Persons possessing privileged information and facts considered as such are included in the, Use of Privilege Information and Transactions with Securities Issued by Vitro and/or Subsidiaries Policy.

Employees who presumably possess privileged and non-public information, should not perform directly or indirectly transactions with shares or any kind of securities issued by Vitro, placed among the investing public in Mexico or abroad, except during those window periods during which transaction are approved by the law of the countries in which such securities are issued or traded. Any transaction entered into during periods not approved by law of the countries in which such securities are issued or traded may result in either civil or criminal sanctions or both in accordance with the law of each respective country. Any doubt about what you can or cannot do in this area, should be referred to the Vitro Legal Department for clarification.

3.5 Confidentiality and proprietary information

Employees have the duty to safeguard confidentiality and/or proprietary information about Vitro, as well as the information entrusted to Vitro's employees by our customers and suppliers. Employees are strictly forbidden to use this information for personal benefit or for the benefit of relatives, friends or third parties, assuming responsibility for the consequences of such non-authorized disclosure.

Employees shall avoid discussing confidential information in public places, family circles, with third parties, and even with peers having no direct relationship with such information. This duty shall continue even though the employee has left Vitro.

If an employee communicates privileged, confidential or non-public information without authorization to third parties or peers, and such third parties or peers subsequently disclose such information to the detriment of Vitro, the disclosing employee be subject to sanctions within Vitro which sanctions may range up to including dismissal. Additional sanctions and/or civil or criminal prosecutions may result if such disclosure violates the law of any country in which Vitro operates.

Information with rights reserved by Vitro as to which employees have access due to the work that such employee performs, should not be reproduced without the express authorization of the area responsible of its generation and custody. Vitro's Administrators should assure that external personnel with access to Vitro's information comply strictly with this provision, establishing controls that preserve Vitro's interest and avoiding any harm caused to Vitro for violations with this provision.

Solely the departments of Financial Information, Investor Relationship and Institutional Relationship and Communication and any other department expressly authorized by the President and Chief Executive Officer, may disseminate through channels approved by Vitro, any financial or non financial information, within or outside of the Vitro Organization.

3.6 Deal fair and honest to customer, suppliers, competitors and employees

3.6.1 Our customers

Business with our customers should be earned based on the quality, price and, services of our products, and our ability to fulfill contracted commitments. Vitro prohibits strictly the use of false data with the purpose of simulating compliance with the customers' specifications, when such cannot be achieved.

No commercial negotiations with customers should be refused due to the mere fact that their suppliers include direct or indirect competitors of Vitro. Commercial practices should adhere to the provisions established by antitrust laws in the countries where Vitro conducts business. Any doubt regarding the application of antitrust laws in any country, should be timely reviewed with the Executive Vice President Human Development and General Counsel.

Employees may not offer customers any gifts or gratuities of any kind that may contravene commercial practices of Vitro, except for those corresponding to promotional items given out in a general manner, and the reciprocal treatment on hospitality and gratuities in the context of handling negotiations in pursuance to Vitro's interest.

3.6.2 Our suppliers

Employees, who directly or indirectly participate in the supply process, as well as in the contracting of any kind of services on behalf of Vitro, must be objective and choose suppliers on the basis of quality, price and services in compliance with Procurement Policy. Employees must not accept or seek out any benefit from a supplier or potential supplier that would appear to compromise their judgment.

The purchase of products or engagement of services may not be conditioned on a supplier ceasing to supply products and services to Vitro's competitors, unless a conflict of interest may arise for the supplier regarding either confidential information or a conflict which may arise while complying with the terms of any agreement. Advance approval of the Legal department, should be obtained in order to avoid unfair practices or a breach of the antitrust laws in the countries where Vitro does business.

3.6.3 Our competitors

Vitro competes in worldwide markets with merits conferred by the prestige and quality of products and services, and shall not tolerate that its employees make insinuations or misrepresentations or misleading statements about the products and services of competitors. Comparisons made between products of both parties must be accurate and supported by facts.

Vitro forbids its employees to use any illegal or unethical method to obtain information owned by competitors, including robbery or attempt by any means to induce the disclosure of such information by our competitor's employees or former employees.

Competitor's confidential information obtained legally should be used in the proper context of legally performed business intelligence efforts, and shall only be communicated to employees who need to know such information. Employees with access to this information are bound to maintain its confidentiality.

3.6.4 Our employees

Employees are the most valuable asset of Vitro, and shall be treated with respect and dignity. Vitro has a firm commitment to create a professional work environment and promote a healthy competition grounded in respect of the values and a development based on employees' labor competences.

All information about employees should be handled in a confidential manner, and kept in individual files in a safe place, by the Human Resources Department.

3.7 Competition Restrictions

Employees involved in commercial operations on behalf of Vitro, are obligated to know and strictly observe the contents and spirit of the competition and anti-monopoly laws of the countries where Vitro does business. The guidelines that regulate these provisions are contained in the Enforcement Antimonopoly Law of the United States of America and by corresponding law in other countries. For clarification of such laws in any country employees shall contact the Vitro Legal Department.

3.8 Money laundering operations

In order to fulfill the laws that regulate money laundering, the Administrators of Vitro's companies shall establish control mechanisms to timely detect and avoid accepting and processing transactions with resources coming from criminal activities, and shall conduct its business only with well reputed customers, suppliers and partners, which carry out legitimate business activities from where their resources originate.

Employees should act diligently and obtain sufficient information from prospective customers, suppliers, and partners, in order to assure that they are corporations and persons with legal businesses according to the law and that their resources come from legitimate sources. Any indicia of suspicious activities among either suppliers or customers, which may involve money laundering operations, shall be immediately brought to the attention of the Legal Department, before carrying out any further negotiations.

3.9 Environment care

Vitro's Administrators and employees are obligated to assess the environmental risks in all processes and operations, in order to prevent environmental contamination and to establish corrective actions whenever such contamination occur in order to permanently preserve the environment. Employees must know and comply with provisions of the environmental laws of the countries where Vitro conducts businesses.

Vitro's operations should include the efficient use of all energy and natural resources, as well as the reduction and elimination to the extent possible of pollutants or contaminating emissions and the safe containment of toxic materials. These practices and Vitro's environmental culture must be encouraged and be spread between employees, suppliers and communities where Vitro conducts business.

3.10 Protection and proper use of company assets

Employees are obligated to preserve and protect from misuse, robbery, damage or sabotage, all of Vitro's assets. Employees should avoid disposing of Vitro's assets for personnel benefit and not commit unlawful acts that harm economically Vitro.

Tangible and intangible assets should exclusively be used for activities related to Vitro's operation and management. Whenever exception in the use of assets occurs, the approval of Vitro's Corporate Responsibility Committee of the Board of Directors shall be required.

Assets directly assigned to employees, including computers (hardware and software); should be used responsibly and exclusively for the development of Vitro's activities, observing guidelines for correct use.

3.11 Accuracy in Accounting Records

3.11.1 Authorization of access to the Company assets and transactions registry

Management should establish authorization processes for employees to gain access company assets and accounting records, including information contained in the transaction registry.

Management should record operations in the accounting records and prepare financial statements according to generally accepted accounting principles and disclosure requirements and practices in effect for the country in which each company operates.

3.11.2 Accuracy in accounting records

The information recorded in the accounting records should only include actual operations. It is forbidden to distort, alter or enter registries with false or fictitious data, on transactions, corporate funds and assets acquisition or disposal.

Employees responsible for recording of transactions and the preparation of financial statements shall be responsible for any false entries or lack of proper disclosure in the accounting records, due to the omission of the registration of liabilities or off-record handling of funds and other assets for any purpose.

3.11.3 Proper payments

No employee may authorize payment of Vitro's funds knowing that part of the payment will be used for any purpose other than the purpose described in the documents supporting the payment.

3.11.4 Appropriate controls

The Managers and employees involved in the recording of transactions should adopt the internal control, administrative and accounting policies and guidelines established by Vitro, which provide a reasonable security that the three foregoing requirements have been complied with, and that the financial reports are prepared accurately and truthfully, including all required disclosure standards.

3.12 Complete, accurate and timely disclosure

Employees responsible for registering, processing, presenting or disclosing Vitro's financial information to the public, including all employees who participate in these processes, shall be responsible to insure that the information disclosed is comprehensive, balanced, timely, correct, complete and understandable, and complies with the disclosure controls and proceedings established by Vitro. In order to assure the above, a Financial Information Certification applicable to the personnel involved in such preparation shall be established.

3.13 Discrimination and harassment

Vitro, strictly adhering to the laws prevailing in the countries where it does business, offers to employees' equal opportunities in contracting, wages, training, development and promotion, prohibiting racial, ethnic, gender, creed, disability or sexual preference discrimination.

No harassment of employees shall be tolerated, including sexual harassment expressed in any manner; and also including verbal and physical behavior which demeans or threatens any employee or employees, creating a hostile work environment or an unacceptable interference in the performance of work, or which adversely affects individual performance.

3.14 Health and safety

Employees should strictly adopt the standards and safety regulations established by the Safety area, with the purpose of safeguarding personnel and company property. Furthermore, employees should timely report unsafe acts and risky situations that endanger the safety of its employees and the company. Serious or repeated breaches that endanger personal life or the property of the company shall be subject to severe sanctions.

3.15 Payment bribes, gratification, and contributions

Vitro prohibit the use of companies' funds for illegal activities for any purpose. Therefore it is strictly forbidden for any employee to pay, directly or indirectly, bribes, gratifications or contributions to labor unions, governmental agents, political parties or candidates of any country.

Any petition of this kind should be addressed to the Executive Vice President Administration as well as to the Executive Vice President Human Development and General Counsel, who shall define the course of action to be followed. Violation of this provision can result in civil and criminal penalties under the laws of the country or countries involved for both the company and the employee or employees involved.

3.16 Waiver of observance of the standards contained in the Code

Any waiver for employees to comply with any of the provision contained in this Code should be requested in advance to the Executive Vice President Human Development and General Counsel, specifically identifying the causes for such request. Approval of such a request may only be granted by Vitro's Board of Directors.

3.17 Cooperation in investigation performed by an Authority

Vitro and its personnel shall completely cooperate in any investigation performed by Mexican governmental authorities or by governmental authorities of any other country where by virtue of the business conducted, such obligation exists.

If employee is aware of any either material or potentially material situation which is under investigation by any government or agency thereof, he/she should immediately notify the Executive Vice President Administration and Executive Vice President Human Development and General Counsel, providing information related to such facts.

3.18 Audit, investigations and disciplinary actions

Vitro through the Executive Vice President Administration and Executive Vice President Human Development and General Counsel, shall establish a review program to survey compliance with the provisions contained herein.

Sanctions for lack of integrity, irresponsible acts, negligence or violations to the provisions of this Code that may harm or damage Vitro or its employees shall include admonition, warnings, and suspension with or without pay, removal of position, salary reduction, dismissal, and/or damage restitution, in addition to any penalties which may be applicable under the laws.

Disciplinary actions may also be required of the Superior of any person who violates this Code if it is determined that his/her participation or lack of diligence and care resulted in such violations.

Sanction of this Code shall also be extended to any employee who submits a complaint with false data, fraud, or bad faith, with the purpose of affecting the image and honorability of peers.

Employees who retaliate against any person who, acting in good faith, raise any question, complaint or claim regarding compliance with the provisions of this Code shall be subject to serious sanctions, including dismissal.

It is strictly prohibited to withhold, destroy or modify documents, with the intent of obstructing investigations made by Vitro Internal Audit Department, any Governmental authority or any other task force designated to carry out an investigation.

3.19 Hot Line

In order to provide employees with a source to resolve any doubts regarding compliance with this Code and to provide a procedure for employees to notify company officials of any violations, Vitro provides its employees a Hot Line that may be used freely and/or anonymously without retaliation, guaranteeing a confidential and professional treatment.

“With approval of the Audit Committee of the Board of Directors of Vitro”

February 2004

**Federico Sada
Chief Executive Officer.**