

CODE OF BUSINESS CONDUCT AND ETHICS

Cosco Capital Inc. and its subsidiaries (“Cosco”) are fully committed to doing business following the highest standards of ethics that have been the foundation of the growth and success of the Group.

Cosco, its directors, officers, and employees endeavor to promote a culture of good corporate governance by observing and maintaining its core business principles of accountability, integrity, fairness, and transparency in their relationships among themselves and in their transactions with investors, customers, suppliers, creditors, business partners, governments, regulators and the general public.

PURPOSE AND COVERAGE

This Code of Business Conduct and Ethics sets forth Cosco’s business principles and values which shall guide and govern all business relationships of its directors, officers, and employees, including their decisions and actions when performing their respective duties and responsibilities.

This code applies to Cosco’s directors, officers, employees, and business units. Suppliers, vendors, contractors, business partners, customers, and shareholders should also align their dealings with this code.

Compliance with Law

Cosco adheres to the standards and restrictions imposed by those laws, rules, and regulations as well as the Group’s policies, rules, and regulations. Employees must be responsible to know and understand the laws that apply to their work duties, as well as following both the letter and the spirit of all laws, rules, and regulations under which Cosco operates.

Human Rights, Diversity, Equity & Inclusion

Cosco ensures that all employees are treated fairly and equitably, without prejudice, following the group’s policies, rules, and regulations. Employees from various experiences and opinions must respect one another to foster an open workplace and an inclusive culture. You may also refer to the company’s Human Rights Policy.

Accessibility

Cosco provides for the accessibility requirements of its employees and customers in a way that honors their dignity, independence, and rights to equal opportunity and access.

Alcohol & Drugs at Work

As part of Cosco's efforts to foster a safe and wholesome working environment, company employees are covered by rules against the use of prohibited drugs and working under the influence of alcohol.

Violence, Harassment & Discrimination

Employees must treat one another with respect, to create a workplace free of violence, harassment, and discrimination. Employees must not treat coworkers or customers in a way that would be harmful to their physical or mental health or that it would make them feel degraded or threatened. This could include remarks on a person's color, religion, sexual orientation, or gender, as well as any sexual harassment. Each of the employees is responsible for creating an environment of mutual respect and trust that creates a productive workplace.

Health & Safety

Cosco protects the health and safety of its employees and customers. Employees must work and behave in a way that doesn't jeopardize their safety, the safety of their coworkers, or the safety of its customers.

Working Environment

Cosco provides its employees with enough lighting and ventilation, sanitary, and appropriate restrooms. Cosco also assesses and eliminates any dangers in the workplace for women after childbirth, during pregnancy, or while breastfeeding.

Fire Prevention and Disaster Prevention

Cosco complies with building and fire codes and ordinances.

Cosco must ensure that all working facilities have safety and emergency preventive measures in place to avoid accidents or injuries. All facilities must have operational fire alarms, fire extinguishers, sprinklers, smoke detectors, and necessary firefighting and preventative equipment and exit routes must always be clear from obstruction, and emergency evacuation is always possible.

Employees must get regular safety training.

Conflict of Interest

1. All business decisions and actions must be based on the best interest of the group and the value of its stakeholders and should not be motivated by personal considerations or relationships which may interfere with the exercise of independent judgment.

2. All directors, officers, and employees should only use THE COMPANY's resources for the benefit of THE COMPANY. Everyone must not act on their own or support any action that may run counter to THE COMPANY's ethical standards.
3. Grants or loan arrangements extended to Directors and Officers by the Company and/or its subsidiaries and/or affiliates are prohibited unless covered by the requisite approval from the Board of Directors and are done at arms' length and fair market rates.
4. All directors, officers, and employees are required to disclose any financial or personal interest or benefit in any transaction involving THE COMPANY to ensure that potential conflicts of interest are immediately brought to the attention of Management. Even the appearance of impropriety and the potential for conflict should be disclosed and avoided. These may include but need not be limited to the following:

- a. Interest in businesses of suppliers, competitors, or customers

This refers to any financial interest or business management participation in the business of a supplier, competitor, or customer, whether publicly listed or privately held by an immediate family member (parent, brother, sister, spouse, child) needs to be disclosed as well.

- b. Employment or analogous service in the business of a supplier, contractor, or customer

Engagement by such entities as a director, adviser, officer, employee, or consultant needs to be disclosed and requires prior approval by the Company.

Engagement in the such capacity of an immediate member of the family (parent, brother, sister, spouse, child) needs to be disclosed as well.

- c. Engagement by other commercial enterprises or in a political office

Engagement in another occupation or provision of service to any other commercial enterprise, as well as holding of a concurrent position in government in addition to one's position in THE COMPANY needs to be disclosed and requires prior approval by the Company.

Officers and Employees are highly discouraged from accepting outside employment to maintain their efficiency and ensure their continued physical and mental health.

Outside employment is defined as any activity taken for gain or pay other than that which is undertaken for THE COMPANY. This includes but is not limited to:

- Full-time or part-time jobs, other than company assignments
- Teaching in a center of learning
- Private Tutoring
- Commercial endorsement for products or services

Should an officer or employee wish to accept or take outside employment, one must send a request through his/her Unit Head for the prior approval of the President. The company reserves the right to withdraw its permission at any time.

d. Political Activities

Active involvement in any political party or political campaign is not allowed.

e. Relatives in the same company

Disclosure should be made when an employee has a relative that is employed by the same company. Management may exercise its discretion on such disclosure but should avoid as much as possible situations where there will be relatives with a superior-subordinate relationship or in a control function exercised over the department of a relative.

In addition to the presence of relatives in such situations, employees should disclose any personal relationship when such begins to exist with another employee where one exercises a superior-subordinate relationship or control relationship with the employee.

Gifts & Entertainment

All gifts, entertainment, sponsorships, charitable donations, and travel of significant value by any supplier or customer of the company must not be accepted. Neither can an immediate family member or representative be designated to accept such on behalf of the employee.

Confidential Information

1. Maintain and safeguard the confidentiality of information entrusted by THE COMPANY, its subsidiaries, affiliates, employees, customers, business partners, or other parties with whom THE COMPANY relates except when disclosure is authorized or legally mandated or with the employee's consent.

Confidential information includes any non-public information that might be of use to competitors, or significant enough to affect the value of THE COMPANY stock or to influence someone to buy or sell stock.

Public information is that which is available in the Securities and Exchange Commission (SEC) filing, PSE filings, and disclosures or press releases in major media communication channels.

2. Follow company policy and applicable laws regarding business records retention. Ensure that records are not altered, concealed, destroyed, or falsified to impede obstruct, or influence any investigation by, or proceeding before any official Company committee, governmental, regulatory, or judicial body having jurisdiction.
3. Avoid trading THE COMPANY shares of stock using material information that has not been disclosed to the public. They are also prohibited from passing on such information to someone else who then buys or sells the company's stock. (Refer to Insider Trading Policy)

Data Privacy

Cosco safeguards and carefully manages each employee's personal information in accordance with data privacy laws, rules, and regulations of the Philippines. (Refer to Data Privacy and Cybersecurity Policy)

Cyber & Information Security

Cosco protects employees, suppliers, and customers' data, records, and information from cyberattacks by employing multiple-layer cybersecurity measures. Employees must know their cybersecurity responsibilities by reviewing the policies and procedures on cybersecurity practices. (Refer to Data Privacy and Cybersecurity Policy)

Social Media Policy

The information we share on social media and in online groups is how we present ourselves to the public. It should be courteous as well as factual. Use sound judgment and common sense when posting content on behalf of the Company, and provide credit where credit is due. Employees must not publish or share content that is unlawful, unethical, untrue, or misleading.

Fair Dealing

1. Treat everyone with respect and act in good faith and with integrity and professionalism at all times

2. Deal fairly with THE COMPANY's customers, suppliers, service providers, business partners, competitors, employees, and with the government.
3. Avoid taking unfair advantage of anyone through misrepresentation of material facts, manipulation, concealment, abuse of privileged information, or any unfair dealing practice.

Insider Trading Policy

All directors, officers, employees, and consultants, who know material information about the company that is not disclosed or generally available to the public are prohibited to trade in THE COMPANY securities and shall not communicate such material non-public information to any person.

1. It shall be unlawful for a Director or Principal Officer of the Company to sell or buy a security of the Company, while in possession of material information concerning the Company or the security that is not generally available to the public.
2. A Director or a Principal Officer of a Company must not deal in the Company's securities during the period within which material nonpublic information is obtained and up to two (2) full Trading Days after the price-sensitive information is disclosed to the public.
3. A Director or a Principal Officer must report to the Compliance Officer their trade of the Company's securities within two days of the transaction's completion.

Anti-Bribery, Anti-Corruption & Anti-Money Laundering Policy

Cosco does not tolerate the engagement of any form of bribery, corruption, or money laundering to maintain its reputation. Employees must follow the company's Anti-Bribery and Anti-Corruption policy and applicable laws, rules, and regulations for anti-money laundering.

Anti-Fraud Policy

Cosco has a zero-tolerance policy for fraud no matter how minor it would be. Employees must not engage in fraudulent activities or behavior. Every employee is responsible for reporting suspected occurrences of internal and external fraud. This includes reporting any situation in which you interact with an organization and suspect or are aware that they have engaged in fraudulent activity.

Whistleblowing Policy

Cosco encourages and commits to protect any director, officer, employee, or Business Partner (referred to as a “Whistleblower”) who reports or provides information regarding any action that he or she considers to be fraudulent, misconduct, malpractice, corrupt or irregular and has potential to cause losses and harm to the business, or any of its employees and/or Business Partners.

Confidentiality

Any complaint or report by a Whistleblower shall be kept confidential to the extent permitted by law and the Company’s ability to address the violations alleged to be committed. A Whistleblower who reports a suspected violation shall remain anonymous but will bear in mind that there are certain circumstances wherein the law or applicable regulation may require disclosure of the identity of the Whistleblower in administrative and legal proceedings.

Protection

The Company shall adopt a Non-retaliatory Posture. In this regard, the Company must protect the Whistleblower acting in Good Faith from any form of direct or indirect Retaliation, harassment, and discrimination. The Whistleblower may report any act of direct or indirect Retaliation, harassment, and/or discrimination encountered to the Compliance Officer for appropriate action.

Penalty for Retaliation

Any employee, officer, or Business Partner who commits any retaliatory action against the Whistleblower will be subjected to appropriate sanctions, which may include dismissal from employment or termination of contractual relations.

Making False Reports

If a Whistleblower makes a false report with an ulterior motive or for personal gain, the Company reserves the right to take appropriate actions against the Whistleblower to recover any loss or damage as a result of the false report. In particular, the employee may face disciplinary action including termination from employment, while the Business Partner’s contract may be terminated, where appropriate.

While the Company does not expect the Whistleblower to have absolute proof or evidence of the misconduct, malpractice or irregularity reported, the report should be based on one or more reasons for the concern/s and full disclosure of any relevant details and supporting documentation.

IMPLEMENTATION, MONITORING, AND GOVERNANCE OF THE CODE

The Head of the Human Resources Department shall be accountable for the publication of this code and shall ensure that all officers and employees understand and be aware of the Code of Business Conduct and Ethics and have received an electronic copy of the policy.

All Managers are responsible for the proper dissemination and implementation of the provisions of this Code in their respective work units and shall strive to be role models of the Code's provisions.

For reports on violations, the office of the Compliance Officer shall ensure a confidential investigation is immediately undertaken to determine the veracity of the report, gather pertinent data, and recommend appropriate sanctions which may lead to separation from the service of the Company and may include filing of legal suits on behalf of the company.

Directors, officers, and employees may report in writing any violations of this code of ethics to the Compliance Officer

Email: corporate.governance@coscocapital.com

Mail: Compliance Officer

3rd Floor New Tabacalera Building 900
Romualdez St. Paco Manila 1007

Management commits to handle such reports with strict confidentiality and discretion and protect the identity of the person making such a report. Such persons shall be granted protection from any retaliation that may come from the parties being reported.

1. GOVERNANCE MECHANISM

- a. The Company shall appoint a Compliance Officer who shall have the responsibilities set out in this Policy.
- b. The Company shall create a Management Disciplinary Committee composed of the following: Compliance Officer, Division HR Head, and General Counsel, which shall have the responsibilities set out in this Policy.
- c. Investigation and Resolution Process

Upon receipt of a complaint or report from a Whistleblower, the Compliance Officer shall conduct a preliminary investigation to determine whether there is evidence in support of the matters raised, or alternatively, refute the Whistleblower Report

The Compliance Officer shall then submit an initial written report on the results of his investigation to the Management Disciplinary Committee. If the report warrants further investigation, the Management Disciplinary Committee shall then endorse to an Investigating Body together with the Compliance Officer, to handle the investigation.

Thereafter, the Investigating Body shall submit its written report and recommendation to the Management Disciplinary Committee for review prior to submission to the company President for evaluation and approval.

The Compliance Officer and members of the Management Disciplinary Committee or Investigating Body are not exempted from this Policy and any Whistleblower Report against them shall be submitted to the President of the company. An ad hoc Investigating Body may be constituted by the company President to conduct the investigation and the report on the results of its investigation will be submitted to him/her for evaluation and approval.

All Whistleblower Reports shall be the subject of a thorough, unbiased, and discreet investigation with the objective of obtaining evidence that either substantiates or refutes the claims made by the Whistleblower.

Applicable laws, rules, and regulations shall be observed in any investigation arising out of a Whistleblower Report. As such, any individual against whom the allegation is made shall be given the right and opportunity to present evidence to disprove the allegation.

d. Monitoring and Feedback Process

The Compliance Officer shall update the whistleblower on the general status of the investigation. All updates will be kept strictly confidential.