



# FIRST PACIFIC COMPANY LIMITED

## 第一太平有限公司

*(Incorporated with limited liability under the laws of Bermuda)*

Website: [www.firstpacific.com](http://www.firstpacific.com)

(HKEx: 142)

### CODE OF BUSINESS PRACTICE

#### 1. INTRODUCTION

At First Pacific, we believe that good corporate governance creates a stronger, more resilient and more competitive business.

We understand that the continuing success of our business and the wellbeing of our people are closely connected to the economic, environmental and social landscape around us.

#### 2. PURPOSE

This Code of Business Practice ('CBP') sets out a clear standard for how we as a company and as First Pacific people<sup>i</sup> strive to conduct our business with integrity. Specific policies on the rights and obligations under the CBP set out the actions and behaviors required. Together, the CBP and policies demonstrate how being a responsible business is important to us and how we work hard to embed a consistently high standard of behavior into our culture at First Pacific.

#### 3. PRINCIPLES

First Pacific strives to be an ethical and responsible business.

We are guided in what this means by our legal obligations and by learning from national, regional and global best practices and standards in environmental, social and governance matters.

We strive to uphold global standards for responsible business. We respect the dignity, liberty and equality of everyone we work with. Our policies and procedures are based on the following 10 principles:

1. We support and respect the protection of internationally proclaimed human rights;
2. We ensure we are not complicit in human rights abuses;

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<sup>i</sup> For the purposes of the Code of Business Practice and supporting policies the term "First Pacific people" refers to all directors, officers and employees (permanent, part time and temporary) of First Pacific.

3. We uphold freedom of association and the effective recognition of the right to collective bargaining;
4. The elimination in all forms of forced and compulsory labor;
5. The effective abolition of child labor;
6. The elimination of discrimination in respect of employment and occupation;
7. We support a precautionary approach to environmental challenges;
8. We undertake initiatives to promote greater environmental responsibility;
9. We encourage the development and diffusion of environmentally friendly technologies; and
10. We work against corruption in all its forms, including extortion and bribery.

#### **4. SCOPE**

The CBP and supporting policies apply wherever we are conducting First Pacific business notwithstanding that local law or practice may permit lower standards. This CBP applies unless it contravenes local law or legal practices.

The standards outlined in our CBP and the supporting policies apply to all First Pacific people and any other persons working on behalf of First Pacific, including contractors, consultants, agents, distributors or joint venture partners. Suppliers to First Pacific are required to agree to our Supplier Code of Conduct or present their own business ethics codes in line with our Supplier Code of Conduct.

All First Pacific people are expected to be familiar with and adhere to the CBP and supporting policies.

First Pacific will promote the CBP and its policies and require all our people to sign statements that they have read and understand the CBP and the policies that affect their areas of responsibility. Training on specific policies is provided as necessary for First Pacific people.

Through regular dialogue and knowledge sharing we encourage the companies that we invest in to work towards aligning with the standards of First Pacific's CBP and supporting policies.

Whilst our CBP and supporting policies are developed for First Pacific people, we publish these externally in support of transparency.

#### **5. MONITORING**

First Pacific's CBP and its policies are developed by First Pacific Management and reviewed and approved by the Corporate Governance Committee, who review the CBP regularly on behalf of the First Pacific Board of Directors.

First Pacific's Compliance Group made up of the Head of Human Resources, the Chief Sustainability Officer and the Chief Financial Officer, is accountable for promoting, monitoring and enforcing the CBP. However, the ultimate responsibility for following the CBP and for maintaining First Pacific's culture and ethical standards rests with each one of First Pacific people.

Failure to comply with the CBP and or any of its supporting policies, whether or not this is intentional, may lead to disciplinary action (up to and including dismissal), and criminal liability for the individual(s) involved.

First Pacific reports on the CBP and policies and adherence to the policies in its official Corporate Governance and Environmental, Social & Governance (ESG) Reports.

## **6. FURTHER ADVICE**

If people are unsure about their obligations under the CBP or any of its supporting policies or are concerned that they or others may be in breach of the CBP, they should speak with the Human Resources Department or write to the First Pacific ESG email address at [sustainability@firstpacific.com](mailto:sustainability@firstpacific.com).

This version of the First Pacific's Code of Business Practice was approved by the Company's Corporate Governance Committee on 23 March 2020 and is valid for two years inclusive of this date.

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## **Political Activities Policy**

This policy supports First Pacific's Code of Business Practice (CBP) and must be read in conjunction with the CBP.

### **1. INTRODUCTION**

As an active corporate citizen, First Pacific may seek to advocate for our business with government, regulators, statutory bodies, Non-Governmental Organizations (NGOs), industry bodies and others.

We respect the right of First Pacific people (see CBP footnote i) to participate in elections and government processes as long as such participation is not, or cannot be interpreted to be, in any way supported, affiliated or associated with First Pacific.

### **2. POLICY**

#### **2.1. Advocacy**

First Pacific may engage in direct and indirect advocacy with government officials on public policies, legislation and regulations to promote and defend our legitimate business interests. This includes via trade and industry associations and via consultants or other specialist third parties.

With the approval of First Pacific Senior Management, designated First Pacific executives, thought leaders and policy experts may take part in trade and industry association events and advocate viewpoints on public policy issues that impact our industry, business, or employees.

#### **2.2. Political Contributions**

First Pacific avoids making political donations and does not attempt to influence the outcome of appointments or elections, nor does it involve itself in political campaigns.

#### **2.3. Political Activities of First Pacific People**

First Pacific people are free to participate in political activities or contribute to political parties and candidates in their own personal capacity, and not in any manner expressed or implied on behalf of the company, or in any way that could be viewed as being on behalf of First Pacific. Participation in political activities may not take place during a person's work hours and may not use company resources. Equally, any such work or contributions must not be seen to influence their work for or on behalf of First Pacific.

If First Pacific people hold a role or office with an industry, professional or trade association they must make it clear that he or she does not represent First Pacific and does not take any action that reflects negatively on First Pacific.

First Pacific people are prohibited from using First Pacific resources for personal political activities.

This version of the First Pacific's Political Activities Policy was approved by the Company's Corporate Governance Committee on 23 March 2020 and is valid for two years inclusive of this date.

## **Anti-Bribery and Corruption Policy**

This policy supports First Pacific's Code of Business Practice (CBP) and must be read in conjunction with the CBP.

### **1. INTRODUCTION**

First Pacific has a zero-tolerance approach to bribery and corruption. Common examples of corruption include: extortion, fraud, insider dealing, money laundering, and kickbacks.

All forms of bribery and corruption are unacceptable and will not be tolerated. First Pacific people must not act corruptly in their dealings with any other person, and we must ensure that any third party acting on our behalf conforms to our standards.

### **2. POLICY**

Neither First Pacific nor its people (see CBP footnote i) may give or receive, whether directly or indirectly, bribes or other improper advantages for business or personal gain. This includes with any individual person, any government official or any organization, corporate or otherwise. Neither First Pacific nor its people (see CBP footnote i) may participate in any form of corruption including but not exclusive to: extortion, fraud, insider dealing, money laundering and kickbacks.

First Pacific people may not directly or indirectly, offer or give, or request or receive any gift or payment which is, or may be construed as being, an attempt to influence decisions related to First Pacific's business.

Hospitality and gifts may be offered and received only in the normal course of business and should not be seen to generate any actual or perceived conflicts of interest. Any hospitality or gifts should not be excessive or regular.

Where we engage third parties such as agents, distributors or joint venture partners, we have obligations to complete sufficient due diligence when entering into arrangements to ensure that they are not acting corruptly, and to periodically monitor their performance to ensure ongoing compliance. In short, if we can't do it neither can they.

Any demand for or offer of a bribe must be rejected immediately and reported to the Chairman of the First Pacific Audit and Risk Management Committee as described in Section 6 "Procedure" of the First Pacific Whistleblowing Policy.

This version of the First Pacific's Anti-Bribery and Corruption Policy was approved by the Company's Corporate Governance Committee on 23 March 2020 and is valid for two years inclusive of this date.

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## **Diversity and Equal Opportunity Policy**

This policy supports First Pacific's Code of Business Practice (CBP) and must be read in conjunction with the CBP.

### **1. INTRODUCTION**

First Pacific recognizes that diversity is an economic driver of competitiveness for companies, contributing to business success and shareholder value and is committed to nurturing an environment in which equal opportunity and diversity are recognized as being essential to the performance of First Pacific and incorporated into our day-to-day business.

We recognize that people bring different skills and qualities to the workplace and strive to value people's differences and create an inclusive workplace culture.

Some of the generally accepted corporate benefits arising from employee and Board diversity include better financial performance and improved workforce participation.

In addition, the promotion of diversity broadens the pool for recruitment of high quality employees and board members, enhances employee retention, encourages greater innovation and improves our corporate image and reputation.

### **2. POLICY**

At First Pacific, we conduct business activities such as hiring, promotion and compensation of people, without regard to race, color, ethnicity, religion, national origin, gender, gender identity or expression, sexual orientation, marital status, dependents, genetics, disability, age, social class or political views.

All recruitment and promotions are based on merit, performance and potential using objective criteria with support from First Pacific's Human Resources Department.

First Pacific works to eliminate artificial, unfair and inappropriate barriers to workplace participation.

For employees with disabilities, First Pacific makes workplace accommodations that comply with applicable laws, and are reasonable and needed for effective job performance.

We provide workplace flexibility and family leave entitlements to help First Pacific people (see CBP footnote i) balance their work and family responsibilities.

We treat everyone equally and don't tolerate any kind of harassment or prejudice. In respecting and valuing the diversity of our employees and all with whom we do business, managers are required to ensure a working environment that is free of all forms of harassment. First Pacific people are required to report instances of alleged harassment or prejudice to their manager, to the Human Resources Department or to First Pacific's Chief Sustainability Officer.

This version of the First Pacific's Diversity and Equal Opportunity Policy was approved by the Company's Corporate Governance Committee on 23 March 2020 and is valid for two years inclusive of this date.

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## **Human Rights Policy**

This policy supports First Pacific's Code of Business Practice (CBP) and must be read in conjunction with the CBP.

### **1. INTRODUCTION**

First Pacific is committed to being a responsible corporate citizen and endeavors to conduct its business operations in a manner that respects human rights such as labor rights, the right to a healthy environment and rights against corruption. We recognize that business is uniquely placed to contribute to positive human rights impacts.

### **2. POLICY**

First Pacific people (see CBP footnote i) respect the dignity and human rights of colleagues and all other people that they come into contact in their work. We expect the people we do business with to commit to respecting human rights. For example, our suppliers must comply with our Supplier Code of Conduct.

We only work with people who freely choose to work and don't use forced or compulsory labor. We don't employ people under the minimum employment age limit.

We respect the rights of First Pacific people to equal opportunities, freedom of association and collective bargaining.

This version of the First Pacific's Human Rights Policy was approved by the Company's Corporate Governance Committee on 23 March 2020 and is valid for two years inclusive of this date.

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## **Volunteering Policy**

This policy supports First Pacific's Code of Business Practice (CBP) and must be read in conjunction with the CBP.

### **1. INTRODUCTION**

First Pacific strives to be a responsible corporate citizen aware of its responsibilities to First Pacific people (see CBP footnote i) and to our wider group of stakeholders in the community around us. We encourage the same of our people.

Much as First Pacific engages in a variety of charitable activities, we encourage and support our people (see CBP footnote i) to likewise foster the well-being of others through activities that meaningfully contribute to the overall welfare and development of the communities in which they live and work.

### **2. POLICY**

All First Pacific people on a permanent contract, as long as they are contracted to work 30 or more hours a week, may request up to 24 hours per annum of paid volunteer time to participate in activities that benefit the community.

First Pacific people who work part time (minimum 20 hours) will receive 12 hours of paid volunteer time per calendar year.

In determining whether to grant time for community work, First Pacific's Human Resources Department should ensure that business needs and project deadlines can be met undisturbed.

Organizations that are within the scope of this policy include schools and non-profit charitable organizations. Organizations outside the scope of this policy include organizations that are political, fraternal/sororal, or labor related. Volunteer hours logged in association with an activity sponsored by a faith-based organization are eligible only if the activity serves the entire community. Any organization that fails to adhere to First Pacific's Diversity and Equal Opportunity Policy and any other relevant principles from our CBP is excluded from the scope of this policy.

Eligible hours must be actively spent at a specific location benefiting the organization named by the First Pacific person as benefitting from time off work. Hours spent travelling, sleeping, on call, etc. will not be eligible pursuant to this policy.

People who participate in volunteer activities through this policy must log their hours and provide other documentary evidence as required by their manager and First Pacific's Human Resources Department.

This version of the First Pacific's Volunteering Policy was approved by the Company's Corporate Governance Committee on 23 March 2020 and is valid for two years inclusive of this date.

## **Sustainability Policy**

This policy supports First Pacific's Code of Business Practice (CBP) and must be read in conjunction with the CBP.

### **1. INTRODUCTION**

For First Pacific, our commitment to sustainability is part of being a responsible business. As an investment management and holding company, this means that we recognize Environment, Social and Governance (ESG) as important factors to consider in all our investments, as well as how we operate at our Hong Kong head office.

### **2. POLICY**

We believe that the proper management of ESG factors is important in generating sustainable long-term returns.

First Pacific seeks to manage the environmental and social impacts of our operations, given their related financial impacts, risks and opportunities, and as part of our commitment to responsible business practices. We support a precautionary approach to environmental challenges and recognize the impacts of climate change on our business.

We seek to build ESG considerations into our business operations at our Hong Kong head office.

Being an investment management and holding company, First Pacific promotes the adoption of ESG principles across our investee companies.

We are committed to sharing best practices and learnings across the Group, and through such collaborations, we will continue to address ESG factors with respect to the material ESG impacts of the investee companies as they determine them, and the industries in which they operate.

This version of the First Pacific's Sustainability Policy was approved by the Company's Corporate Governance Committee on 23 March 2020 and is valid for two years inclusive of this date.

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## **Environment, Health and Safety Policy**

This policy supports First Pacific's Code of Business Practice (CBP) and must be read in conjunction with the CBP.

### **1. INTRODUCTION**

First Pacific is committed to environmental compliance and maintaining the highest standards of occupational health and safety for all our people.

### **2. POLICY**

We promote high standards of environment, health and safety performance, at First Pacific and our investee companies.

We aim to raise environmental and social performance standards to world-class levels where possible, and to invest in companies that understand and properly manage their material impacts.

#### **2.1. Environmental Management**

First Pacific actively supports the environmental protection and resource conservation programs of our investee companies.

We support the companies that we invest in to take action to implement environmental programs and initiatives as they relate to their operations, which include the proper management of energy use, water, greenhouse gas emissions, air quality, impacts on biodiversity, and waste.

Wherever we operate, we aim to monitor, manage and minimize negative impacts of our existing business activities and make positive contributions to our environment.

#### **2.2. Occupational Health and Safety**

First Pacific strives to ensure a safe working environment for all our employees in compliance with relevant laws and regulations, whether local or international.

We implement employee health and safety measures that prevent injury and illness and protect people from occupational hazards.

We encourage our investee companies to consider the well-being of their employees, such that they maintain a safe working environment for their peoples in compliance with relevant laws and regulations on occupational health and safety in their respective industries.

We further promote the health and safety of our suppliers, in connection with their activities for First Pacific. Suppliers must comply with applicable health and safety laws and regulations and proactively manage health and safety risks related to their specific industry. More information can be found in our Supplier Code of Conduct.

This version of the First Pacific's Environment, Health and Safety Policy was approved by the Company's Corporate Governance Committee on 23 March 2020 and is valid for two years inclusive of this date.

## **Community Investment and Donations Policy**

This policy supports First Pacific's Code of Business Practice (CBP) and must be read in conjunction with the CBP.

### **1. INTRODUCTION**

First Pacific strives to do good for our communities wherever we operate. As a responsible corporate citizen, we care for our communities by investing in them and making positive contributions to support long-term development and help address local needs.

### **2. POLICY**

We take pride in a strong culture of care and social commitment across the Group. We aim to foster the well-being of stakeholders through activities that meaningfully contribute to the welfare and development of the communities in which they live and work.

First Pacific engages in a variety of charitable activities as part of our commitment and close connection to the needs of our communities wherever we operate. By making direct community investments and donations, we demonstrate our social commitment and reinforce our mission to create long-term value in the markets we serve.

Examples of direct community investments include contributions to charities and NGOs, funds to support community infrastructure, and investments made in social programs. Championed by First Pacific Management, we continue to support causes such as quality education, environmental stewardship, and fostering entrepreneurship, both at the Hong Kong head office and through the work of our investee companies.

First Pacific leverages its resources, industry expertise and employees' participation to provide meaningful support to local communities. We encourage our investee companies to implement Corporate Social Responsibility ('CSR') programs that contribute to socio-economic development with respect to their business operations.

We believe that we have a social responsibility and support the participation of First Pacific people in community-related activities. More information about how we encourage company volunteering is stated in our Volunteering Policy.

This version of the First Pacific's Community Investment and Donations Policy was approved by the Company's Corporate Governance Committee on 23 March 2020 and is valid for two years inclusive of this date.

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