



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

(Stock Code: 00142)

RESPONSIBLE INVESTMENT POLICY

First Pacific recognizes the impact we have on the environment and on society at large. We see this as both a responsibility and an opportunity. Our team and the group of First Pacific companies (listed in Annex 1) are committed making positive and valuable contributions to shareholders, employees, and the wider societies we operate in.

We are committed to promoting sound environmental, social and governance (“ESG”) principles and we are convinced that businesses that contribute positively to society and have sustainable business models will create long-term value. Our Responsible Investment Policy reflects this commitment towards high ESG standards. The policy’s purpose is to maintain proper ESG management in core investment operations and decision-making processes.

First Pacific acknowledges that a growing body of research presents compelling evidence that certain ESG factors will likely have an impact on the global economy (e.g., climate change) and on individual corporate results.

From an investment strategy perspective, First Pacific views ESG factors as potential risks that can and should be managed, as well as possible investment opportunities for outperformance. We believe that incorporating material ESG factors into investment research has the potential to improve returns and to reduce risk and volatility in the performance of our investments.

ESG Principles

Environmental

We seek to maximize sound stewardship on environmental themes, encourage environmental consciousness and facilitate the sustainability transition. We promote sustainable business propositions, such as waste-reduction measures or investment in renewable energy sources.

Social

It is First Pacific’s objective to be socially responsible regarding our investments. We adhere to applicable national and international labor laws and work to ensure fair and proper labor conditions throughout the value chain. First Pacific strives for high health and safety standards across our operating companies and promotes equal rights and diversity in all areas of business operations. We contribute to the development of the communities in which our businesses operate by promoting sustainable and profitable growth.

Governance

First Pacific understands the importance of good corporate governance within a business. We will exhibit honesty, integrity, and respect in all business activities. We adhere to relevant local and international agreements and legislation. We create model governance structures which are implemented in all our operating companies.

By implementing a package of policies including ESG, Code of Conduct, Anti-Bribery and Corruption and Whistleblowing, we aim to map and mitigate internal governance risks. We seek to ensure high standards of business ethics through a high level of transparency throughout our operations.

Application

In accordance with the six United Nations Principles of Responsible Investment (“UNPRI”), First Pacific is committed to the incorporation of ESG into investment analysis, decision-making processes, and operating companies’ policies and business practices. As part of this commitment, First Pacific evaluates ESG performance to mitigate risks and to identify opportunities that can create value.

Screening

First Pacific conducts a pre-due diligence screening in which an investment is rejected if it is currently, or if it is likely to in the future, generate a significant share of its revenue from excluded industries or products (listed in Annex 2). First Pacific will also refrain from investment if a company is operationally or financially linked to a country, company or persons registered on relevant sanctions lists.

Due Diligence

First Pacific conducts a comprehensive ESG due diligence to determine the sustainable proposition of these target business. The ESG due diligence takes into consideration the entire value chain of business activities. Through this process we identify key risks and opportunities within ESG, and we assess how a prospective operating company manages these risks and opportunities.

Reporting

Shareholders in First Pacific are provided an annual ESG report providing transparency on environmental footprint, governance risks, reputational risks as well as other aspects of ESG performance, and the reports track progress towards company specific goals, such as greenhouse gas reductions. The report is created by First Pacific management together with a third party ESG specialist. We consider this report, and the process to create it, an important tool to set targets and to make progress to reach our goals. The report seeks to align to and comply with a number of internationally recognized reporting frameworks, such as GRI.

UNPRI, Global Compact, and ILO conventions

The First Pacific Responsible Investment Policy is compliant with internationally recognized standards for responsible investment practices and business operations. More specifically, First Pacific has implemented the six United Nations Principles for Responsible Investment in its business practices and ensures that operating companies adhere to and comply with the

principles in the UN Global Compact, the UN's Universal Declaration of Human Rights and the eight fundamental Conventions of the International Labour Organisation.

Annex 1: First Pacific Group Companies

First Pacific Company Limited
PT Indofood Sukses Makmur Tbk
PLDT, Inc.
Metro Pacific Investments Corporation
Philex Mining Corporation
PXP Energy Corporation
PacificLight Power Pte. Ltd.
Roxas Holdings, Inc.

Annex 2: Industry and Product Exclusions

First Pacific will not invest in a company engaged in any of the following business activities:

- a) production, trade and/or distribution of cluster bombs;
- b) production, trade and/or distribution of tobacco;
- c) activity of prostitution or procuring of prostitutes;
- d) production, distribution or sale of pornography;
- e) manufacture or marketing of casinos or other gambling activities.

Dated 10 December 2020

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