



Code of Business Conduct and Ethics



CORE VALUE

Mission

Our mission is to deliver quality, innovative and value-for-money food favorites that every customer will love and want to share.

Vision

Our vision is to be top-of-mind Food Company in delivering happiness to customers and value to partners and shareholders.

Values

Passion for Excellence

Teamwork

Responsibility

Professionalism

Family-Oriented

Humility

Diversity and Balance

Through a diverse selection of brands and concepts, we minimize risk and volatility during challenging periods, while maximizing returns during strong economic backdrops. This streamlined brand allocation in the portfolio allows the Company to maximize its back-end strengths and utilize economies of scale which creates a refined balance in the Company's return ratios and capital allocation.

Customer-Value Oriented

To be value-oriented is one thing, but to be Customer-Value oriented is a higher level in itself. At FCG, we make every decision and action based on what would be the best for our customers and what would delight them the most. We believe in being obsessed with customer satisfaction and aligning every facet of our strategy and goals with our valued customers.

Integrated

From our supply chain, commissary, manufacturing and logistics, we are fully integrated to ensure high quality and to maximize efficiency and optimize costs. Through technology, the Company integrates outside partners as well as internal departments to always be up to speed on data analytics needed for quick decision-making.

Sustainable Execution

Our philosophy has always been long-term sustainability and business viability. We achieve this through diversification, prudent investing and growth management. We ensure that capital expenditures will be put to good use to create long-term value for the Company. We expand at our own pace based on what will create the best long-term sustainable value for customers, shareholders and other stakeholders of the company.

INTRODUCTION AND APPLICATION

The Figaro Coffee Group, Inc. ("FCGI") and its operating subsidiary (collectively referred to as the "Company") provide excellent food and beverage selection and gracious service creating a memorable experience for people who appreciate high quality of food and beverage and demand exceptional service.

The Company, its Board of Directors, management 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 with the Company's customers, shareholders, suppliers, business partners, government authorities, regulators and the public. The Corporate Governance and Nominations Committee of our Board of Directors oversees our policies and implementation of the corporate governance framework of the Company.

We always practice good governance and actively pursue the cause of socio-cultural and environmental concerns.

This Code of Business Conduct and Ethics (the "Code") sets forth the fundamental standards of business conduct and values consistent with the principles of good governance and ethics to be observed by the Management, our employees and our business partners.

The Code does not intend to replace or supersede any applicable legal or regulatory requirement as it reads into it existing Company policies, procedures and the corresponding sanctions for non-compliance therewith, as well as those that may subsequently be adopted by the Company in response to prevailing business conditions.

Policies and/or procedures may further be promulgated or revised as the need arises, to give effect to this Code.

Thus, this Code shall henceforth be the foundation for all existing and future policies and procedures of the Company, such that these shall find basis in and supplement the provisions of this Code.

This Code shall be reviewed from time to time as may be deemed necessary by the Company.

OUR COMMITMENT

The Company is firmly committed to promote a culture that fosters and maintains the values of fairness, transparency, accountability and integrity.

- FCGI conduct business with integrity and strive by complying with all applicable laws, rules and regulations governing the Company's businesses, in all jurisdictions where such are conducted and by delivering on the commitments that we make to our stakeholders.
- FCGI develop mutually beneficial relationships with our Business Partners, founded on trust and respect, motivated by a shared desire to satisfy consumer needs.
- FCGI seek to have a positive impact on the lives of our Employees, their families and the communities where we operate, and we expect individuals and companies in our business partner network to do the same.
- FCGI develop the full potential of our Employees and Business Partners by sharing applicable knowledge, skills and best practices that will help them to meet and exceed expectations.

Definition of Terms:

Employees

Employees include management, officers and staff hired or engaged by the Company, including its subsidiary, to perform specific duties and responsibilities.

Business Partners

Business Partners include organizations and individuals who provide services, raw and packaging materials, ingredients, components, finished goods or other products to the Company.

OUR EXPECTATIONS

- FCGI employees, conduct themselves in accordance with the highest moral and ethical standards, informed by a robust Code of Business Conduct and Ethics. We are committed to ensuring a fair workplace for our employees as well as partners with whom we do business. We have strict policies to protect against unlawful discrimination and harassment. We have an Open-Door Policy to encourage honest and direct communication to resolve issues and concerns in an expeditious manner.
- FCGI believes that what is expected in this Code is universal but cognizant of differences in culture and challenges in interpreting and applying the principles globally.
- FCGI recognizes that the methods for meeting these expectations may vary in order to be consistent with the laws, values and cultural expectations of the countries where we operate.
- The standards of conduct and values in this Code shall guide and define the actions and decisions of the Company.
- FCGI expects all Employees to observe with zeal such values in the performance of their duties, in their relationships with fellow Employees and in all their dealings with shareholders, customers, suppliers, government authorities and the general public.
- FCGI expects all Business Partners to exhibit these values as a condition to their engagement, and for those existing at the time of effectivity hereof, and thereafter, to align and demonstrate compliance with the principles and standards stated in this Code at all times as a condition to their continued business relationship with the Company, as well as apply the Code to the parties with whom they work with in providing goods and services to the Company.

GUIDING PRINCIPLES

1. CUSTOMER FOCUS:

- We strive to be the customer's preferred choice.
- We listen to our customers to understand and anticipate their needs.
- Customers choose us because we provide them with products and services that exceed their expectations.

2. INNOVATIVENESS AND CONTINUOUS LEARNING:

- We encourage creativity and ingenuity in our processes and systems, products and services, continuously looking for better ways to do things.

3. INTEGRITY AND MENTAL HONESTY:

- FCGI conduct business in a manner which is ethical, fair and right, and in all reasonable circumstances, above reproach.
- We compete fairly and honestly. Each one of us believes in profit with honor and is committed to good governance and the highest moral standards in the performance of our duties and responsibilities.
- We ensure the integrity of our records, books and accounting, and endeavor to fully, fairly, timely and accurately report and disclose material information in accordance with applicable laws and regulations.
- We build and strengthen business relationships on the basis of merit, mutual interest, candor and fair competition, and avoid profit or gain of competitive advantage through manipulation, abuse of privileged or non-public information, concealment, misrepresentation and other illegal or unethical practices.
- We avoid circumstances and positions that actually or potentially conflict with the interest of the Company or interfere with loyalty and objectivity in business dealings and relationships.

4. TEAMWORK AND OPEN COMMUNICATION:

- We work toward shared aspirations, transcending boundaries along functional and organizational lines with trust and respect for each other and with unity in purpose.
- We enable all Employees to feel free to express opinions, voice concerns, and offer suggestions to their superiors and peers.

5. ACCOUNTABILITY FOR ACTIONS:

- We take full responsibility for all our actions and decisions, and discharge our duties conscientiously, honestly and efficiently.

- We uphold and regard as paramount the Company's interest in the undertaking of business strategies, opportunities and endeavors, with deliberate and full evaluation and management of attendant risks and the end view of enhancing and maximizing shareholder value.
- We comply with and respect all applicable laws, rules and regulations governing the Company's businesses, in all jurisdictions where such is conducted.

6. MERITOCRACY AND PASSION FOR SUCCESS:

- We constantly strive for excellence. We aspire to be the best we can be and create value in everything we do. We are proactive and entrepreneurial, propelled by a sense of urgency and competitiveness, with speed and precision in execution, and total dedication to results.
- We recognize and reward individuals and organizations on the basis of performance and results.

7. RESPECT FOR PEOPLE, AUTHORITY AND PROPERTY:

- We recognize each other as individuals and commit to nurturing each other's individual capabilities.
- We commit to uplift the dignity of labor by encouraging each other to be the best in their fields.
- We respect and shall preserve the Company's assets and resources by ensuring that they are used efficiently and solely for legitimate business purposes, and accord the same to the assets and properties of others.
- We safeguard and maintain the confidentiality of knowledge or proprietary information on the Company's products, formulations, trade secrets, business strategies, technologies, processes and systems.

8. SOCIAL RESPONSIBILITY:

- We contribute positively to the promotion of social responsibility in the community in which we live and work by supporting activities and programs geared towards community welfare and environmental protection.

HEALTH, SAFETY AND ENVIRONMENT

The Company and its Business Partners value the health and safety of human beings and the protection of the environment.

The health and safety of our employees, and Business Partners are of the utmost importance to us.

9. WORKER PROTECTION

- We shall have programs in place to ensure the safety of our workers. Programs must include elimination of occupational hazards in the workplace, provision of protective wear and/or equipment, proper training in the handling and use of machinery and materials, safety reminders and other measures that may be necessary to maintain safety.
- We shall protect workers from undue exposure to chemical, biological and physical hazards. In case it is necessary to deal with any hazardous material, safety information relating to these must be provided to educate, train and safeguard workers/employees.

10. EMERGENCY PREPAREDNESS

- We shall identify, assess and prepare for potential emergency situations in the workplace and minimize their impact through prevention and readiness to implement emergency plans and response procedures. In case such an emergency occurs, we must immediately inform the proper authorities of the Company.

11. ENVIRONMENTAL AUTHORIZATIONS

- We shall comply with all applicable environmental regulations. All required environmental permits, licenses, authorizations, registrations and clearances must be obtained and their operational and reporting requirements followed.

12. WASTE AND EMISSIONS

- We shall have systems in place to ensure the safe handling, movement, storage, recycling, reuse or management of waste, air emissions and waste water discharges. Any waste, waste water or emissions with the potential to adversely impact human or environmental health must be appropriately managed, controlled and treated prior to release into the environment.

13. HAZARDOUS MATERIALS

- We shall have systems in place that will ensure safety in handling, storage and releasing of hazardous materials, as well as procedures to manage and contain accidental spills and releases.

MANAGEMENT SYSTEMS

The Company and its Business Partners adhere to effective and efficient management systems to meet contractual obligations, facilitate continual improvement, and uphold the image and brands of the Company at all times.

14. BUSINESS CONTINUITY

- We shall be responsible for the development and implementation of appropriate business continuity plans for operations supporting the businesses of the Company.

15. CONTINUAL IMPROVEMENT

- We shall continually improve by setting performance objectives, executing implementation plans and taking necessary corrective actions for deficiencies identified by internal and/or external assessments, inspections and management reviews.

16. COMMITMENT AND ACCOUNTABILITY

- We shall demonstrate commitment to the concepts described in this Code by allocating appropriate resources to fulfill the requirements. We express accountability by taking immediate corrective action in accordance with our contractual obligations.

17. COMPETENCY DEVELOPMENT

- We shall have training programs that would enable the appropriate level of knowledge and skills among management team and employees necessary to meet our commitments.

18. RISK ASSESSMENT AND MANAGEMENT

- We shall have mechanisms to identify and mitigate risks in all areas of our operation that may affect our products and services.

19. LEGAL AND CUSTOMER REQUIREMENTS

- We shall identify and comply with applicable laws, rules and regulations, and relevant customer requirements and standards, and address identified gaps in a responsible and timely fashion.

20. DOCUMENTATION

- We shall maintain documentation necessary to demonstrate conformance with the expectations set out in this Code, as well as compliance with applicable regulations.

LABOR AND HUMAN RIGHTS

The Company and its Business Partners support and respect the internationally recognized human rights principles and practices and ensure that we are not complicit in human rights abuses.

21. FAIR AND HUMANE WORKING ENVIRONMENT

- We shall provide equal employment opportunity (EEO) to all employees without regard to gender, sexual orientation, religion, ethnicity, age, disability, marital status in accordance with applicable government regulations. We embrace and value diversity in all its forms, whether gender, age, ethnicity or cultural background. Equal opportunity is integral to our recruitment process, as we aim to develop a community of diverse talent.
- We shall provide a workplace free of harassment, discrimination, harsh and inhumane treatment. Any abusive behavior such as sexual harassment, corporal punishment, mental or physical coercion, or verbal abuses or threats among workers shall not be tolerated. Discrimination for reasons of race, age, gender, gender-orientation, ethnicity, disability, religion, political affiliation, union membership or marital status shall not be condoned.

22. WAGE, BENEFITS AND WORKING HOURS

- We shall comply with applicable wage laws, including minimum wage, overtime hours and mandated benefits.

23. CHILD LABOR AND YOUNG WORKERS

- We shall not use child labor. Employment of young workers shall only occur in accordance with the law.

24. FREELY CHOSEN EMPLOYMENT

- We shall not use forced or involuntary labor.

25. PRIVACY AND DATA PROTECTION

- We shall respect individuals in a manner consistent with the rights to privacy and data protection. Information about people shall be used appropriately for necessary business purposes and shall be protected from misuse to prevent undue harm to individuals such as discrimination, stigmatization or other damage to reputation and personal dignity, impact on physical integrity, fraud, financial loss or identity theft.

ETHICAL BUSINESS PRACTICES

The Company and its Business Partners conduct business with integrity and always in an ethical manner.

26. PRODUCT QUALITY AND FOOD SAFETY

- We, FCGI, and any party involved in the supply, manufacturing, packaging, testing, storage and distribution of materials/products on behalf of the Company, shall uphold at all times the compliance with quality and food safety standards, as well as applicable recognized quality regulations, standards and practices (e.g., Quality and Food Safety Regulations, Good Manufacturing Practices, etc.) that are required in the markets.

27. BUSINESS INTEGRITY

- Any form of corruption, extortion and embezzlement shall be prohibited. We shall not offer, pay nor accept bribes or participate in other illegal inducements in business or government relationships. We shall work against corruption in all its forms.

28. PROTECTING INFORMATION

- We shall protect confidential and proprietary information, including personal information collected for or from the Company.
- We shall prevent information loss, misuse, theft, fraud, improper access, wrongful disclosure or alteration, including unauthorized communication and/or publication of information acquired from or on behalf of the Company.
- We shall make sure that any unauthorized use, disclosure or loss of the Company's confidential or proprietary information is reported immediately to concerned authorities of the Company.

29. INTELLECTUAL PROPERTY

- We shall respect intellectual property rights. The use of Company trademarks, copyrights, industrial designs, patents and other intellectual property rights, and the transfer of technology and know-how, shall be done in a manner that strengthens the equity and protects intellectual property rights of the registered owners thereof, to maximize value and drive growth and innovation of our products and services.

30. FAIR COMPETITION

- We shall conduct our business consistent with fair and vigorous competition and in compliance with applicable laws. We shall employ fair business practices including accurate and truthful advertising.

31. ACCURACY OF BUSINESS RECORDS

- All our financial records shall conform to generally accepted accounting principles, and shall be accurate, legible, transparent, and reflect actual accounts of events, transactions, payments and other relevant facts about the business.

32. CONFLICT OF INTEREST

- Employees and Business Partners have a duty to act in the best interests of the Company and shall avoid any action which may involve, or may appear to involve a conflict of interest with the Company.

33. ANIMAL WELFARE

- Animals shall be treated humanely. Efforts shall be exerted to refine procedures in order to minimize pain, stress, and distress, which shall be scientifically valid and acceptable to regulators.

34. RECEIPT OF GIFTS

- While it is recognized that giving and receiving gifts and hospitality payments may help in the building of business relationships, good judgment must be exercised at all times. The offer and receipts of gifts, hospitality or expense must be avoided whenever they could affect or perceived to affect the outcome of business transactions or dealings, or are not reasonable and bona fide. Employees should avoid giving or receiving of gifts or hospitality (including entertainment, meals, tickets to social, entertainment or sports events, etc.) which is excessive in value, given too often, or leaves the employee or (as the case may be) the other person in a position of obligation. Gifts in the form of cash or cash equivalent should be avoided.
- Modest gifts, meals or entertainment may be accepted provided they are consistent with FCGI's policy on Solicitation and Acceptance of Gifts

RAISING CONCERNS

We encourage everyone to report concerns or questionable activities of Employees and Business Partners without fear of reprisal, intimidation or harassment.

The Company will not tolerate any retaliation in any form against anyone who, in good faith, raises a concern or reports a possible legal or ethical violation of this Code. We will investigate and take corrective actions if needed.

Employees and Business Partners (including their employees and stakeholders) who believe that an Employee, or anyone acting on behalf of the Company, has engaged in improper conduct must report the matter promptly to the Compliance Committee of the Company, using the following resources:

Email: corporate@figaro.ph

Office: 02-86714232

The above information sets out the procedure in reporting concerns, consistent with the other policies and procedures implemented by the Company, as applicable.

The Committee will sort and direct the concerns it receives to the proper channels for necessary action, and shall oversee their resolution to ensure the observance of the Code and implementation of all relevant policies, including the imposition of all appropriate penalties under such policies, if any, in case of violation.

The Code and the Committee shall not be used for taking up personal grievances.

This Code shall be effective as of October 2021.