

## 1 Background

For over 190 years, the Swire group of companies has been recognised as acting responsibly in the course of achieving its commercial success. Our reputation for fair dealing and integrity is a great asset: preserving this asset depends on maintaining our high standards. Compliance with this Code is an essential part of our doing so.

This Code applies to all Relevant Persons and is applicable wherever Swire does business. In the case of joint ventures, the Swire representatives involved/concerned are expected to act in accordance with this Code themselves and to use reasonable endeavours to influence those with whom they are working to ensure they also act to similar standards of integrity and ethical behaviour.

This code establishes general principles. Certain areas covered by the Code may be the subject of more detailed provisions and requirements established by other documents.

## 2 Definitions

<b>Advantage</b>	Includes any money, gift, loan, fee, reward, commission, employment, payment, release, discharge, contract, service, promise and any other favour (whether of a financial nature or otherwise).
<b>Connected Person</b>	Includes any family member or relative of a Relevant Person and any company which is controlled by a Relevant Person or a family member of a Relevant Person.
<b>Government Official</b>	Includes any officer or employee of any Government Entity or any candidate for political office.
<b>Government Entity</b>	Means any national, regional or local government and any department, agency or instrumental thereof and any entity owned or controlled by another Government Entity.
<b>Relevant Persons</b>	Means the employees (including secondees), officers and directors of Swire Bulk Holdings Pte. Ltd (Swire Bulk) and/or its group companies and/or subsidiaries.
<b>Suppliers</b>	Includes any vendor, contractor or service provider which has provided or is currently providing or bidding for the provision of goods and/or services to the Company or the Group
<b>Agent/Consultant</b>	Means without limitation, any agent or consultant or other party contracted to assist in developing business with existing or potential customers or in obtaining any government approvals or action.
<b>Business Partners and Joint Venture Partners</b>	Includes business partners, joint venture partners or any other individuals or companies engaged to conduct business on behalf of the Company or the Swire group, and over which the Company or the Swire group has direct control.
<b>Valid quotation</b>	Meets required specifications and delivery criteria for the goods or services requested;  Is received in a timely manner, within the required deadline and is valid for

acceptance for an appropriate period to accommodate the review, evaluation and approval process; and  
 Is solicited from suitably qualified suppliers.

References to “Swire” in this Code are to Swire Bulk Holdings Pte. Ltd (Swire Bulk) and/or, as the context may require, its group companies and/or subsidiaries or any of them.

## 3 Operating Principles

**Swire’s operating principles commit Swire and Relevant Persons to:**

- Set the highest safety standards whereby all our people behave safety, always and naturally and provide a safe environment where all are respected; and deliver our services in a safe and respectful way.
- Deal appropriately with employees, those with whom we do business and the communities in which we operate.
- Maintain high standards of business ethics and corporate governance.

## 4 Implementing Our Operating Principles

Responsibility for the implementation of this code ultimately rests with the Chief Executive Officer and the Board of Directors of Swire Bulk who are expected to oversee implementation of the code to their individual business units, be responsible for communicating its content to employees and business partners, and for ensuring compliance.

The Swire Bulk Audit Committee must be kept fully informed of any material breaches of any aspect of this code.

### 4.1 Employee Obligation

All Swire Bulk employees have an obligation and duty of care to:

- Comply with prevailing community standards of equity, justice, fairness and compassion in dealing with others within and beyond the company
- Perform duties in a responsible and professional manner, with due regard for company policies and other legal requirements and obligations
- Exert responsible use of company resources
- Promote and protect the company’s reputation in the wider community
- Act appropriately when a conflict arises between our self-interest and our duty to the company

### 4.2 Health, Safety and the Environment

Swire is committed to doing its best to safeguard the health and safety of its employees, those with whom it does business and the communities within which it operates. Swire requires as a minimum, all Relevant Persons and

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third parties present anywhere at any of our workplaces worldwide to uphold all applicable legal and corporate safety, security and wellness standards. Achieving this depends on the sustainable development of its business and the communities in which it operates. To this end, Swire is committed to being a good steward of the natural resources and biodiversity under its influence and to ensuring that all potential adverse impacts of our operations on the environment are identified and then addressed appropriately.

Swire Bulk's philosophy is never to allow business objectives to compromise the safety, security and welfare of its employees, customers, visitors, contractors and the wider community.

Please refer to the full company [Global Onshore Safety, Security and Wellness Policy](#) and the relevant **Offshore Safety Policies** found in the safety management system.

### 4.3 Business Ethics and Respect in the Workplace

Swire is committed to conducting all its businesses with integrity and fairness. Relevant Persons are expected to maintain the highest standards of professionalism in all their dealing with others. They seek mutually beneficial relationships with contractors, suppliers and joint venture partners. They are required to promote the application of this Code in all dealings and to give preference in business dealings to those who adhere to similar business ethics. All Relevant Persons must comply with all applicable legal requirements.

Please refer to the full company [Respect in the Workplace Policy](#).

### 4.4 Diversity and Inclusion

Swire believes in equal opportunities for all its employees. Swire recognises that its businesses (which are themselves commercially diverse) benefit from the diversity of its workforce. So it follows naturally that Swire encourages diversity and equal opportunities. A properly diverse workforce is one whose members are not discriminated against.

Please refer to the full company [Diversity and Inclusion Policy](#).

### 4.5 Conflicts of Interest

A conflict of interest arises where a person's private interests interfere with the proper discharge of their official duties. Swire is committed to conducting its business without conflicts of interest and this Code requires all Relevant Persons to avoid any situation which may lead to an actual or perceived conflict of interest without prior consent. Such consent should be sought in the first instance from the Global Head of Human Resources. Set out below is a non-exhaustive list of circumstances that would potentially give rise to a conflict of interest:

- Working for a non-Swire company or non-affiliated organisation at the same time as being employed by Swire.

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- Becoming a member of a board of any non-affiliated commercial, financial or industrial organisation.
- A Relevant Person or a Connected Person negotiating or transacting business with Swire (other than employment contracts or retail purchases of Swire products).
- Having an interest in a company (other than as a holder of securities in a company whose securities are listed on any stock exchange) which either competes with or has business dealings with Swire.

Relevant Persons (except for non-executive directors) who wish to take concurrent paid employment, either on a regular or consulting basis must seek the prior written approval of the Global Head of Human Resources, before accepting the employment.

#### 4.6 Competition and Anti-trust

Swire is committed to complying with all applicable competition and antitrust laws. Relevant Persons should acquaint themselves and comply with the applicable competition laws to which their businesses are subject. These are laws that aim to protect competition by prohibiting anti-competitive behaviour. Breach of competition laws is a serious offence and may expose Swire to severe penalties and other sanctions, and individuals to imprisonment. Set out below is a non-exhaustive list of anti-competitive behaviour which would potentially amount to an infringement of competition laws:

- Participating in price-fixing, collective boycotts or market sharing arrangements
- Exchanging competitively sensitive information with competitors
- Imposing restrictions on customers or suppliers, including retail price maintenance
- Abusing a position of substantial market power or market dominance

Please refer to the full company [Competition and Anti-trust Policy](#).

#### 4.7 Anti-bribery

Swire believes that conducting business with integrity is critical to continuing to develop Swire as a successful, sustainable and responsible business group. Corruption hinders economic, social and political development and progress. Breach of anti-bribery laws, wherever and however this takes place, is a serious offence and may expose Swire to significant fines and other penalties, and individuals to imprisonment. Even the appearance of a breach of anti-corruption laws can cause very significant damage to Swire’s reputation.

It is Swire’s policy that all Relevant Persons shall comply with the anti-bribery laws to which they are subject.

Please refer to the full company [Anti-bribery Policy](#) that sets out the standards of behaviour expected from Swire and the anti-bribery compliance procedures adopted by Swire.

#### 4.8 Political Non-Alignment

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Swire, as a normal business activity, will lobby Government Entities either directly or through trade associations to promote policies that encourage business and achieve workable legislation. Swire is not, however, politically aligned and accordingly, Relevant Persons in their official capacity should not offer direct or indirect support ("political contributions" – either in cash or in-kind) to any specific political party, candidate or campaign. Examples of political contributions include:

- Sponsorship of events organised by or associated with any political party, politician or candidate for public office.
- Free or discounted use of Swire’s premises, services or products as an in-kind donation.

Relevant Persons may participate in political activities on an individual basis, with personal money and time, provided they do so in accordance with applicable laws and regulations. Swire will not reimburse any personal political contributions.

4.9 Gambling

Relevant Persons should not engage in frequent or excessive gambling of any kind with other Relevant Persons or with persons having business dealings with Swire. In social games of chance with clients, suppliers or business associates, they must exercise judgment and withdraw from any high stake games.

4.10 Anti-Money Laundering

Money laundering is the process by which individuals or entities try to conceal illicit funds, or otherwise make these funds look legitimate. Swire will not condone, facilitate or support money laundering.

There are two areas which we all need to watch out for:

- Irregularities in the way payments are made.
- Customers who appear to lack integrity in their operations.

A. Payment irregularities

Responsible Persons must be wary of:

1. Payments made in currencies other than that specified in the invoice.
2. Attempts to make payments in cash or cash equivalents.
3. Payments made by someone not a party to the contract (unless otherwise approved).
4. Payments made where no services were performed or no goods were delivered.
5. Payments to/from an account other than the normal business relationship account.
6. Requests or attempts to make payments for each invoice by multiple cheques or drafts.
7. Requests to make an overpayment.

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## ***B. Know your Counterpart***

To help make sure that Swire only does business with entities that share Swire’s standards of integrity, always:

1. Know and verify the identity of your customers and business partners.
2. Perform reasonable due diligence before contracting with potential customers and business partners.
3. Communicate with counterparties about our Code of Conduct and compliance expectations.
4. Continue to be aware of and monitor our customers’ and business partners’ business practices.
5. Do not do business with any customer or other business partner suspected of wrongdoing relating to dealings with us unless those suspicions are investigated and resolved or otherwise approved by the Swire Bulk Executive Leadership Team (ELT).
6. Maintain records and documents relating to financial transactions, the identity of our customers and business partners, risk assessments and ongoing due diligence.

The above are guidelines only and are not a substitute for using good judgment and common sense when assessing the integrity and ethical business practices of customers and business partners.

Where in doubt, if anything doesn’t seem quite right, seems too good to be true, or you feel uncomfortable with any customer or other business relationship, please seek further advice from the Finance Department and/or Legal Department.

### **4.11 Procurement principles**

In procurement Swire requires Relevant Persons to support the following principles:

- Suppliers should be selected on the basis of competitive tendering including the impartial selection of appropriately qualified suppliers in line with the limits outlined under 4.12 Joint Venture Partners and Suppliers.
- Whenever competitive tendering above the size thresholds is not carried out a file note explaining why such tendering was not done should be produced and kept on the supplier file.

Re-tendering should, in general, take place at least every three years. Monitoring systems should be put in place to ensure the proper fulfilment of contractual obligations and to provide reasonable assurance that fraudulent or corrupt activities are Suppliers should be encouraged to make an annual statement that no personal benefit accrues to Swire personnel or supplier personnel from this business arrangement and that they have complied with all legal requirements.

Please refer to the full company [Procurement Policy](#).

### **4.12 Joint Venture Partners and Suppliers**

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Relevant Persons are required to take reasonable steps to ensure that any joint venture partners, suppliers, or any other individuals or companies hired to conduct business on behalf of Swire and over which Swire has direct control develop and implement anti-corruption policies consistent with the general principles of this Code, or at least comply with relevant local laws.

#### Procedures for selecting joint venture partners and suppliers

1. All Relevant persons are required to inform joint venture partners and suppliers of Swire Corporate Code of Conduct where practicable.
2. Before engaging new joint venture partners and suppliers, reasonable due diligence should be carried out on their track record, financial status and history of legal proceedings.
3. Any new joint venture partners and suppliers are requested to confirm they will comply with applicable anti-corruption laws to which they are subject.

#### Additional procedures for selecting suppliers

1. All Relevant Persons will prepare the pre-determined specifications/ requirements/ scope of services for the products/services required.
2. Tenderers are evaluated based on their capability, financial strength, company structure and reputation.
3. Additional due diligence is performed by checking their current and former client references, as well as relevant work permits and licenses where applicable.
4. Meet with tenderers and clearly communicate on the [Supplier Code of Conduct](#) and operating principles prior to engaging them.
5. For products/services being specified in the [Swire Group Green Guidelines](#) (available on the Swire Bulk website), the Company will follow the Guidelines whenever possible during the selection process.
6. The contract will be awarded to the tenderer which offers the best value for money, complies with the [Supplier Code of Conduct](#), and meets our service standard.
7. Whenever competitive tendering or purchasing is not carried out in accordance with this section, a file note explaining why such tendering or purchasing was not done shall be produced, approved by the Chief Executive Officer, Commercial Director or Finance Director and kept on the Supplier file.

Please refer to the full company [Supplier Code of Conduct](#) that sets out the expectations on the conduct of our suppliers.

### **4.13 Engaging Professional Service Providers or Consultants**

Relevant Persons should take all reasonable steps to ensure that agents or consultants who are engaged fully comply with applicable anti-corruption laws to which they are subject.

#### Procedures

1. As practicable as possible, invite 2-3 potential service providers to submit proposals/quotations in accordance with our Purchasing Procedures.

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2. Meet with potential service providers and clearly communicate the [Supplier Code of Conduct](#) and operating principles prior to engaging them. The service providers will need to complete and sign a questionnaire so as to ensure their compliance with the [Supplier Code of Conduct](#).
3. Review their "Terms of Service" and check their current and former client references.
4. Whenever possible, a reasonable assessment of the background of service providers should be carried out, including industry experience, credit check and history of its legal proceedings.
5. Obtain approval from the designated management personnel when the suitable service provider is selected before signing the contract.
6. Direct appointments may be necessary in special circumstances and in such cases, prior written approval from the relevant department head or General Manager should be obtained.

Please refer to the full company [Supplier Code of Conduct](#) that sets out the expectations on the conduct of our suppliers.

#### 4.14 Keeping of Records

Swire is committed to keeping proper records and following sound accounting policies. All company books, records, accounts and invoices must be created and maintained so as to reflect fairly and accurately and in reasonable detail the underlying transactions and the disposition of company business. All relevant expenses should be properly approved and recorded in the financial records.

This Code prohibits all Relevant Persons from making any false or misleading statements or other entries in financial records. This Code also prohibits Relevant Persons from creating, maintaining and using any off-the-record accounts with banks or any other third parties and from destroying company records before the normal destruction date.

#### 4.15 Use of Information/ Company Property and Insider Trading

This Code strictly prohibits Relevant Persons from providing or making available confidential or insider information to anyone outside Swire without proper authorisation. Similarly, this Code strictly prohibits Relevant Persons from making use of confidential or insider information to secure advantage personally or for another party.

The unauthorised appropriation of goods and services belonging to Swire for personal use or resale and the unauthorised use of Swire's assets for personal benefit are strictly prohibited.

Relevant Persons should not alter equipment or facilities or install software without specific authorisation or develop their own applications without management approval. Security precautions should be exercised when using personal computers and mobile devices, and all computer software installed on personal computers and mobile devices should be used in strict compliance with the laws of copyright.

Directors and officers of Swire Group companies, including those of the China Navigation Company are subject to more stringent requirements regarding transactions in shares of group companies.

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Please refer to the full company [Insider Trading Policy](#).

#### 4.16 Use of Social Media

Relevant Persons should not use any social media tools in any way which will bring Swire into disrepute, disclose confidential information, interfere with the privacy of colleagues or those with whom Swire does business, imply Swire's endorsement of personal views or breach any applicable laws or regulations.

Please refer to the full company [Social Media Policy](#).

#### 4.17 Employee Data Protection and Privacy

Relevant Persons should comply with applicable legal requirements relating to the collection, holding, processing, disclosure and use of personal data. The privacy of others and the confidentiality of information received in the course of business must be respected.

Please refer to the full company [Employee Data Protection Policy](#).

### 5 Whistleblowing

All Relevant Persons have a responsibility to raise concerns about potential violations of the Code of Conduct, including possible improprieties in financial reporting and internal controls.

Any such concerns should be raised by staff or external persons as outlined in the full company [Whistleblowing Policy](#).

### 6 Compliance with the Code

Relevant Persons should not seek to avoid these provisions by using agents, partners, contractors, family members or parties acting on their behalf.

Non-compliance with this Policy may result in breaches of local or foreign laws, with potentially severe consequences for the Company and the individuals involved. This may include disciplinary action, up to and including termination of employment.

Please refer to the full company [Managing Misconduct and Discipline Policy](#).

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In cases of suspected corruption or other criminal offences, reporting will be made to the relevant authorities, as appropriate.

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