

# Code of Business Conduct

*The umbrella ethics framework that governs how Karnot's people and partners conduct themselves — with customers, suppliers, regulators, communities and each other.*

<b>Document ID</b>	KES-POL-003
<b>Version</b>	1.0
<b>Effective from</b>	11 May 2026
<b>Next review</b>	11 May 2027 (Annual)
<b>Approved by</b>	Stuart Edmund Cox, Managing Director
<b>Applies to</b>	All Karnot directors, officers, employees, consultants, contractors and sub-contractors. Counterparties are expected to either adopt this Code or maintain an internal code of no lesser standard.

## 1. Purpose

This Code defines the minimum standards of conduct expected of every person who represents Karnot Energy Solutions Inc. ("Karnot"). It complements, and is supplemented by, the specific policies that address bribery, modern slavery, health & safety, environment, data privacy, quality, gifts & hospitality, conflicts of interest, and whistleblower protection — each published in full at [karnot.com/governance/](https://karnot.com/governance/).

Where this Code is silent on a particular situation, every Karnot person is expected to apply the same ethical judgement, prioritising honesty, fairness, and the long-term interests of Karnot, its customers, and the communities in which it operates.

## 2. Underlying frameworks

Karnot subscribes to and seeks to align its conduct with:

- The Ten Principles of the United Nations Global Compact — covering human rights, labour, environment and anti-corruption.
- The Responsible Business Alliance (RBA) Code of Conduct, Version 8.0 — used by many of Karnot's multinational customers as their supply-chain standard.
- The OECD Guidelines for Multinational Enterprises.
- Republic Act No. 11232 — Revised Corporation Code of the Philippines (2019).
- Republic Act No. 8424 and BIR regulations — Philippine tax laws.
- The Securities and Exchange Commission Memorandum Circulars on Corporate Governance applicable to Karnot.

## 3. Conducting business with integrity

**Honesty and accuracy.** Karnot personnel will be honest, accurate and complete in all dealings — with customers, suppliers, regulators, shareholders, investors, the press and the public. We do not knowingly make false or misleading statements. We do not omit material information from documents or communications where the omission would create a misleading impression.

**Compliance with the law.** Karnot personnel must comply with the laws of the Philippines and of every jurisdiction in which Karnot does business. Where a law conflicts with this Code, the stricter standard applies — never the weaker.

**Fair dealing.** Karnot competes vigorously but fairly. Personnel do not take unfair advantage of any party through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice. Karnot does not collude with competitors on price, market allocation, customer allocation or any other matter that would constitute anti-competitive conduct under the Philippine Competition Act (RA 10667).

## 4. Workplace conduct

**Equal opportunity.** Karnot is committed to equal opportunity in recruitment, compensation, promotion and termination — without regard to race, colour, gender, sexual orientation, gender identity, age, religion, marital status, disability, pregnancy, or political opinion. Karnot complies with Republic Act No. 10911 (Anti-Age Discrimination), Republic Act No. 11313 (Safe Spaces Act), and Republic Act No. 7277 (Magna Carta for Persons with Disabilities).

**Harassment-free workplace.** Sexual harassment, bullying and any form of intimidation are not tolerated. Reports are handled under the Karnot Whistleblower and Speak-Up Policy (KES-POL-007) and, where applicable, the procedures required by RA 11313.

**Substance abuse.** The use, possession, sale or distribution of illegal substances at any Karnot workplace or any customer or supplier site is prohibited. Reporting to work under the influence of alcohol or illegal substances is prohibited. This is non-negotiable for any role involving R290 refrigerant or electrical work, where impairment risks serious injury.

## 5. Protection of Karnot's assets and information

**Company assets.** Karnot personnel are stewards of the Company's tangible and intangible assets — cash, equipment, intellectual property, brand, data and time. These assets are to be used for legitimate business purposes only. Personal use of company equipment is permitted only when incidental, reasonable and approved.

**Confidential information.** In the course of their work, Karnot personnel have access to confidential information about Karnot, its customers, its suppliers, and its investors. This includes technical specifications, pricing, customer data, financial forecasts, investor materials and product roadmaps. Confidential information may not be disclosed outside Karnot except for a legitimate business purpose, and only under a written confidentiality agreement.

**Intellectual property.** All inventions, designs, code, drawings, calculations, marketing materials and other works of authorship created by a Karnot employee or contractor in the course of their engagement are the property of Karnot, in accordance with Philippine intellectual property law (RA 8293).

## 6. Customers, suppliers and the public

**Customer commitments.** Karnot delivers what it promises. Where a specification, schedule or commitment cannot be met, Karnot informs the customer promptly and proposes a remediation plan. Karnot never misrepresents product performance, certifications, refrigerant type, or service capability.

**Selection of suppliers.** Suppliers are selected on the basis of quality, price, delivery, reliability, ethical conduct and alignment with this Code. Personal relationships and gifts shall play no part in supplier selection — see Conflicts of Interest Policy (KES-POL-010) and Gifts and Hospitality Policy (KES-POL-009).

**Community and public engagement.** Karnot conducts itself as a responsible member of the Philippine business community. The Company supports the energy transition through its products and operations; it does not make political donations, and it engages with government bodies on matters of public policy openly and through proper channels.

## 7. Conflicts of interest, gifts and entertainment

Every Karnot person must avoid situations in which their personal, family or financial interests conflict — actually, potentially, or in the perception of a reasonable observer — with the interests of Karnot. Detailed rules on conflicts, outside engagements, family relationships with counterparties, investment holdings, gifts, hospitality and entertainment are set out in:

- Conflicts of Interest Policy — KES-POL-010
- Gifts and Hospitality Policy — KES-POL-009
- Anti-Bribery & Anti-Corruption Policy — KES-POL-001

## 8. Reporting concerns and non-retaliation

Every Karnot person has both a right and a duty to raise concerns about conduct they reasonably believe may breach this Code or any underlying policy or law. Reports may be made to a line manager, the Compliance Officer (info@karnot.com), or directly to the Managing Director. Reports may be made anonymously.

**Karnot strictly prohibits retaliation against any person who, in good faith, raises a concern under this Code. Acts of retaliation are themselves a serious breach of this Code and will be investigated under the Whistleblower and Speak-Up Policy (KES-POL-007).**

## 9. Consequences of breach

Breach of this Code by an employee may result in disciplinary action up to and including dismissal for cause under the Labor Code of the Philippines. Breach by a counterparty constitutes a material breach of contract and may result in termination of the commercial relationship. Where conduct also breaches Philippine or international law, Karnot will cooperate with the appropriate authorities.

## 10. Review

This Code is reviewed annually by the Managing Director and is supplemented by the topic-specific policies listed in section 7 above. The current version of this Code and all related policies is published at [karnot.com/governance/](http://karnot.com/governance/).

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## APPROVAL

This policy is approved by the undersigned for and on behalf of Karnot Energy Solutions Inc., with effect from 11 May 2026, and will be reviewed not later than 11 May 2027.

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**Stuart Edmund Cox**  
**Managing Director**  
**Karnot Energy Solutions Inc.**  
***Date: 11 May 2026***