



中國航天國際控股有限公司  
CHINA AEROSPACE INTERNATIONAL HOLDINGS LIMITED

*(Incorporated in Hong Kong with limited liability)*

(Stock code: 31)

## **Anti-Corruption Policy**

(Approved and adopted by the Board on 30 August 2022)

### **Ethical Commitment**

1. China Aerospace International Holdings Limited (the “Company”) regards honesty, integrity and fair play as our core values that must be upheld by all directors and staff (including full-time and part-time staff, hereafter collectively “employee(s)”) of the Company at all times. The company is committed to maintaining high standards of business conduct and integrity and has no tolerance towards corruption. This policy sets out the basic standard of conduct expected of all directors and employees, and the Company’s policy on acceptance of advantage and handling of conflict of interest when dealing with the Company’s business. This policy also applies to external stakeholders who have business dealings with the Company (e.g. existing or potential customers, agents, consultants and contractors, etc.) (hereafter collectively “external stakeholder(s)”)

### **Prevention of Bribery**

2. The Company prohibits all forms of bribery and corruption. All directors and employees, or external stakeholders, are prohibited from soliciting, accepting or offering any bribe, or participating in money laundering and terrorist financing activities in conducting the Company’s business or affairs, whether in Hong Kong or elsewhere. Failure to comply with any internal or regulatory requirements related to anti-corruption can be subject to criminal and civil penalties and may prejudice the reputation of the Company. In conducting all business or affairs of the Company, all directors, employees and external stakeholders must comply with the Prevention of Bribery Ordinance (POBO) (Cap. 201 of the Laws of Hong Kong) and all application rules and regulations related to anti-bribery and corruption.

### **Acceptance of Advantage**

3. It is the Company’s policy that directors and employees should not solicit or accept any advantage for themselves or others, from any person, including external stakeholders having business dealings with the Company or any subordinate, except that they may accept (but not solicit) the following when offered on a voluntary basis:
  - 3.1 advertising or promotional gifts or souvenirs of a nominal value; or
  - 3.2 gifts given on festive or special occasions (such as party or banquet), subject to a maximum limit of HKD \$1,000 in value; or
  - 3.3 discounts or other special offers given by any person or company to the Company’s directors or employees as customers, on terms and conditions equally applicable to other customers in general.

4. In order to clarify the approval of acceptance process, the declaration and approval sequence is set out as follows:
  - 4.1 Employees at deputy manager ranking or below should report to and obtain approval from their department heads; the department heads should report to and obtain approval from the supervisory group heads; the group heads should report to the chairman/president and obtain approval from the chairman/president.
  - 4.2 Directors should report to the chairman and seek approval from the chairman; the chairman should report to the longest-serving independent non-executive director and obtain approval from such independent non-executive director.
5. If an employee wishes to accept any advantage in official functions not covered in paragraph 3.1 to 3.3, he/she should report the acceptance and seek permission in accordance with the declaration and approval sequence as set out in paragraph 4.1 using Form A (**Annex 1**).
6. If a director wishes to accept any advantage in official functions not covered in paragraph 3.1 to 3.3, he/she should report the acceptance and seek permission in accordance with the declaration and approval sequence as set out in paragraph 4.2.
7. However, a director or an employee should decline an offer of advantage if acceptance could affect his/her objectivity in conducting the Company's business or induce him/her to act against the interest of the Company, or acceptance will likely lead to perception or allegation of impropriety.
8. If a director or an employee has to act on behalf of a client in the course of carrying out the Company's business, he/she should also comply with any additional restrictions on acceptance of advantage that may be set by the client.

#### **Offer of Advantage**

9. Directors and employees are prohibited from offering advantages to any director, staff member or agent of another company or organization, government departments or public organization, for the purpose of influencing such person in any dealing, or any public official, whether directly or indirectly through a third party, when conducting the Company's business. Even when an offer of advantage carries no intention of improper influence, it should be ascertained that the intended recipient is permitted by his employer/principal to accept it under the relevant circumstance before the advantage is offered. Directors and employees are required to report and seek permission in accordance with the reporting and approval sequence as set out in paragraph 4 before offering advantages. The relevant content shall be recorded and archived by the Human Resources Department.

#### **Entertainment**

10. According to the POBO, "entertainment" means the provision of food or drink, for consumption on the occasion when it is provided, and of any other entertainment connected with or provided at the same time as the provision of food or drink. Although entertainment is an acceptable form of business and social behaviour, a director or an employee should avoid accepting lavish or frequent entertainment from persons with whom the Company has business dealing, including external stakeholders, or from his/her subordinates to avoid placing himself/herself in a position of obligation.

### **Records, Accounts and Other Documents**

11. Directors and employees should ensure that all records, receipts, accounts or other documents they submit to the Company give a true representation of the facts, events or business transactions as shown in the documents. Intentional use of documents containing false information to deceive or mislead the Company, regardless of whether there is any gain or advantage involved, may constitute an offence under the POBO.

### **Compliance with Laws of Hong Kong and in other Jurisdictions**

12. Directors and employees must comply with all local laws and regulations when conducting the Company's business, and also those in other jurisdictions when conducting business there or where applicable. In particular, it is necessary to abide by the relevant requirements of the Mainland of China as stipulated in the "Certain Regulations on Incorrupt Practice of State-Owned Enterprise Leaders" and "Implementation Measures for Central State-owned Enterprises to Implement 'Certain Regulations on Incorrupt Practice of State-Owned Enterprise Leaders'".

### **Conflict of Interest**

13. Directors and employees should avoid any conflict of interest situation (i.e. situation where their private interest conflicts with the interest of the Company) or the perception of such conflicts. When actual or potential conflict of interest arises, the director or employees should make a declaration to the approving authority through the reporting channel using Form B (**Annex 2**). Whenever a conflict of interest arises in a discloseable transaction or connected transaction, he/she should make full disclosure of his/her interest at the meeting of the Board at which the relevant transaction is first taken into consideration. The director shall not exercise the right to vote on the resolution of the transaction involving the conflict of interest, nor shall he exercise the right to vote on behalf of other directors. The director who has conflict of interest in a transaction should abstain from voting and should not vote on behalf of other directors on the resolution(s) approving such transaction.
14. Some common examples of conflict of interest are described below but they are by no means exhaustive:
  - 14.1 An employee involved in a procurement exercise is closely related to or has financial interest in the business of a supplier who is being considered for selection by the Company.
  - 14.2 One of the candidates under consideration in a recruitment or promotion exercise is a family member, a relative or a close personal friend of the employee involved in the process.
  - 14.3 A director of the Company has financial interest in a company whose quotation or tender is under consideration by the Board.
  - 14.4 An employee (full-time or part-time) undertaking part-time work with a contractor whom he is responsible for monitoring.

### **Misuse of Official Position, Company Assets and Information**

15. Directors and employees must not misuse their official position in the Company to pursue their own private interests, which include both financial and personal interests and those of their family members, relatives or close personal friends.

16. Directors and employees in charge of or having access to any Company assets, including funds, property, information, and intellectual property, should use them solely for the purpose of conducting the Company's business. Unauthorized use, such as misuse for personal interest, is strictly prohibited.
17. Directors and employees should not disclose any classified information of the Company without authorization or misuse any Company information (e.g. unauthorized sale of the information). Those who have access to or are in control of such information, including information in the Company's server, should protect the information from unauthorized disclosure or misuse. Special care should also be taken in the use of any personal data, including directors', staff's and customers' personal data, to ensure compliance with Hong Kong's Personal Data (Privacy) Ordinance.

### **Outside Employment**

18. If an employee wishes to take up employment outside the Company, he/she must seek prior written approval of the approving authority in accordance with the reporting and approval sequence as set out in paragraph 4. The approving authority should consider whether the outside employment would give rise to a conflict of interest with the employee's duties in the Company or the interest of the Company.

### **Relationship with Suppliers, Contractors and Customers**

#### **Gambling**

19. Directors and employees are advised not to engage in frequent gambling activities with persons having business dealings with the Company, including external stakeholders.

#### **Loans**

20. Directors and employees should not accept any loan from, or through the assistance of, any individual or organization having business dealings with the Company. There is however no restriction on borrowing from licensed banks or financial institutions.

### **Compliance with the Policy**

21. It is the responsibility of every director and employee of the Company to understand and comply with this policy, whether performing his/her duties of the Company in or outside Hong Kong. Managers and supervisors should also ensure that the staff under their supervision understand well and comply with this policy.
22. Any director or employee in breach of this policy will be subject to internal disciplinary sanctions. Any reports of possible breaches of this policy should be made to the Chairman of the Audit Committee in accordance with the Whistle-blowing Policy of the Company. In cases of corruption or other criminal offences discovered, a report should be made to the appropriate authority.
23. Persons having business dealings with the Company, including external stakeholders must act in compliance with this policy and all applicable laws, rules and regulations related to anti-bribery and corruption at all times. Any reports of possible breaches of this policy should be made to the Chairman of the Audit Committee in accordance with the Whistle-blowing Policy of the Company. In cases of corruption or other criminal offences discovered, a report should be made to the appropriate authority.

**Record Management**

24. Form A, Form B, written applications for offer of advantage and outside employment are required to be submitted to the Human Resources Department for filing after approval, and the Human Resources Department shall report to the Board of Directors every year.

**Interpretation and Review**

25. This Policy is interpreted by the Board of Directors and shall be reviewed annually and revised as necessary to ensure its effective implementation.

**China Aerospace International Holdings Limited**  
**Report on Gifts/Advantages Received**

**Part A – To be completed by Reporting Staff**

To : (Approving Head) \_\_\_\_\_

Description of Offeror :

*Name & Title :* \_\_\_\_\_

*Company :* \_\_\_\_\_

*Relationship (Business / Personal):* \_\_\_\_\_

Occasion on which the Gift/Advantage was / is to be received :

Description & (assessed) value of the Gift/Advantage: \_\_\_\_\_

**Suggested Method of Disposal :**

- ( ) Retain by the Reporting Staff
- ( ) Retain for Display / as a Souvenir in the Office
- ( ) Share among the Office
- ( ) Reserve as Lucky Draw Prize at Staff Function
- ( ) Donate to a Charitable Organization
- ( ) Return to Offeror
- ( ) Others (please specify) :

**Remarks**

Signature: \_\_\_\_\_

Name of Reporting Staff: \_\_\_\_\_

Title/Department: \_\_\_\_\_

Date :

**Part B – To be completed by Approving Head**

To: (Name of Reporting Staff) \_\_\_\_\_

The recommended method of disposal is \*approved / not approved. \*The gift/ advantage concerned should be disposed of by way of:

Signature: \_\_\_\_\_  
(Name of Approving Head)

Date :

**Part C – To be acknowledged receipt and recorded by Human Resources Department**

Date :

Signature: \_\_\_\_\_  
(Head of Human Resources Department)

\* Delete as appropriate

*A copy of this form shall be forwarded to the applicant and the original will be kept by Human Resources Department.*

**China Aerospace International Holdings Limited**  
**Report on Gifts/Advantages Received**

**Part A – To be completed by Declaring Staff**

To : (Approving Head) \_\_\_\_\_

I would like to report the following actual/potential\* conflict of interest situation arising during the discharge of my official duties:-

<b>Persons/companies with whom/which I have official dealings</b>
<b>My relationship with the persons/companies (e.g. relative)</b>
<b>Relationship of the persons/companies with our Company (e.g. supplier)</b>
<b>Brief description of my duties which involved the persons/companies (e.g. handling of tender exercise)</b>

Signature: \_\_\_\_\_

Name of Declaring Staff :

Title/ Department :

Date :

**Part B – Acknowledgement (To be completed by Approving Authority)**

To : (Name of Declaring Staff) \_\_\_\_\_

**Acknowledgement of Declaration**

The information contained in your declaration form of (Date) \_\_\_\_\_ is noted. It has been decided that:-

- You should refrain from performing or getting involved in performing the work, as described in Part A, which may give rise to a conflict.
- You may continue to handle the work as described in Part A, provided that there is no change in the information declared above, and you must uphold the Company’s interest without being influenced by your private interest.
- Others (please specify): \_\_\_\_\_

Date :

Signature: \_\_\_\_\_  
(Name of Approving Head)

**Part C –To be acknowledged receipt and recorded by Human Resources Department**

Date :

Signature: \_\_\_\_\_  
(Head of Human Resources Department)

*\* Delete as appropriate*  
*A copy of this form shall be forwarded to the applicant and the original will be kept by Human Resources Department.*