

Anti-Bribery Policy



CHINA ENERGY TECHNOLOGY AND SERVICE LIMITED

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Statement of Policy

CHINA ENERGY TECHNOLOGY AND SERVICE LIMITED (including its companies globally, together the “Company or Cetas”) is committed to complying with all laws and regulations which govern our operations in every country in which we operate. This Anti-Bribery Policy (the “Policy”) explains our individual responsibility to comply with anti-bribery and anti-corruption laws around the world and to ensure that any third parties that we engage to act on our behalf, do the same.

The penalties for violating these laws can be severe, both for the Company and for the individuals involved, including significant corporate and individual fines, and imprisonment.

CETAS has a zero-tolerance attitude towards bribery. Even the suggestion of corruption may damage the reputation of the Company and affect its ability to do business, as well as the reputation of its employees. The Company is therefore committed to doing business ethically, even if this means not gaining new business, not using the services of particular agents or business partners or incurring delays in carrying on our existing business.

Any violation of this Policy may result in disciplinary action, up to and including dismissal in appropriate circumstances. It is therefore extremely important that you familiarise yourself with this Policy and strictly adhere to it. If you have any questions, please consult your Designated Legal/Compliance Officer.

Scope of Policy

The principles and obligations outlined in this Policy apply to all employees of CETAS companies globally, members of CETAS’s Board of Directors, and CETAS’s contractors (which include agents, consultants, outsourced personnel and other representatives). As such, each of us is responsible for adhering to these standards in our business interactions, and we must ensure that all Company contractors retained by us understand that they are responsible for complying with this Policy when acting on behalf of the Company.

This Policy sets forth CETAS minimum compliance standards with respect to interactions with third parties. However, where local law, regulations or local or Business Unit internal policies require more stringent controls, then such more stringent controls must be followed.

It is the responsibility of each local market/ Business Unit to identify and strictly adhere to all more stringent local/ Business Unit requirements and controls.

What is a Bribe?

A bribe means:

- the offering, promising, giving, authorising, requesting or receiving of a financial or non-financial advantage or anything of value;
- if the purpose of the payment is to secure the improper performance of/ misuse of a person’s position.

Prohibition of Bribery

No person who is subject to this Policy shall:

- offer, provide, or authorise, a bribe or anything which may be viewed as a bribe either directly or indirectly or otherwise through any third party; or
- request or receive a bribe or anything which may be viewed as a bribe either directly or indirectly or otherwise through any third party, or perform their job functions improperly in anticipation, or in consequence, of a bribe.

The prohibition on accepting a bribe from, or giving a bribe to, any person applies to any person acting in the course of a business, as an employee of a business or otherwise on behalf of others in relation to their

performance of their duties and to public officials. Any dealings with public officials present a particularly high risk. Another high risk group for contact with CETAS employees and contractors are healthcare professionals (such as doctors, nurses, nutritionists, etc.) specifically ones who work in a public setting such as State medical services, hospitals and other nationalised industries. Even the appearance of improper conduct in the context of public officials would have a significant reputational impact on CETAS's public image. CETAS employees and contractors must take great care in these situations.

Under this Policy, public officials include any officer, employee or representative of the government or a government-owned entity. The term will also extend to a legislative, administrative or judicial official, regardless of whether elected or appointed; an officer of, or individual who holds a position in, a political party; a candidate for political office; or person who otherwise exercises a public function for or on behalf of any country. This list is not exhaustive so you should consult with your Designated Legal/Compliance Officer if you have any questions or concerns.

Facilitation Payment

Facilitation payments are small unofficial payments to public officials to ensure or speed up performance of routine or necessary action which is part of the public official's usual responsibilities. These are bribes, regardless of whether they may be a part of the "way of doing business" in a particular country. As a representative of the Company, you must not make any facilitation payments unless you or your companions are at personal physical risk if you fail to do so.

Third Parties

CETAS could be held responsible for the actions of a third party (e.g. distributor, agent, contractor, supplier, joint venture partner) acting on its behalf. As such, care must be taken to ensure that those third parties do not engage or attempt to engage in bribery.

All group companies shall:

- Ensure that any new third parties (or third parties whose contracts are being renewed) who provide services on behalf of CETAS contractually agree to abide by the principles set out in our Code of Conduct and this Policy.
- Undertake sufficient due diligence in relation to any proposed acquisition or joint venture to ensure that bribery is unlikely. This may include a search of the database on anti-bribery and sanctions lists and checking for relationships with public officials. The results of the due diligence process shall be appropriately documented. Undertake sufficient due diligence (including checking of responses) in relation to the new third party's background, capability and reputation to ensure that bribery is unlikely, where any of the "red flags" (see list of Red Flags further below in this Policy) are met. This shall include a search of the database on anti-bribery and sanctions lists, checking for relationships with public officials and documenting the reasons for choosing a particular third party. The results, assessments and report of the due diligence process shall be documented and produced on request by Business owner and Procurement. If the due diligence process raises concerns, you must contact the Legal or Compliance Department immediately.
- repeat due diligence every year for ongoing third party relationships or those which have not previously been checked but which meet the requirements above.

Gifts and Hospitality

The act of exchanging business gifts and receiving corporate hospitality can play an appropriate role in building or maintaining business relationships. However, gifts and hospitality are problematic if they create actual or perceived conflicts of interest, or otherwise appear to influence a business decision.

Accepting gifts, discounts, favours, or services from a current or potential customer, competitor, supplier, or service provider is prohibited if that benefit is a type or amount which has the potential to influence a person's business decision. Functions like procurement and sales or health care personnel must take extra care. More strict requirements might apply and these groups might not be allowed to take or give any gifts or hospitality under certain circumstances or policies and procedures applicable to that group. If you have any questions, please consult your Designated Legal/Compliance Officer.

Gifts are only permitted if they are:

- reasonable;
- infrequent;
- in good taste;
- unsolicited;
- not cash or a cash equivalent; and
- not given with an intent to influence a business decision.

Occasionally, for the purpose of building relationships, you may accept or offer social entertainment or hospitality, such as modest meals or event tickets. However, you must not accept or offer entertainment or hospitality unless the activity:

- permits business or educational discussions at the meal or event (a Company representative must be in attendance at the meal or event);
- is part of a genuine business relationship;
- is not intended and could not be perceived by others to improperly influence business decisions;
- is consistent with industry practices, all applicable laws and our Company policies and procedures;
- is not excessive in value or quantity, as defined by local procedural documents; and
- would not embarrass our Company if it was brought to public attention.

Where local law, regulations or standards, or local or divisional internal policies {e.g. IFCN policies} apply and require more stringent processes/ controls, then such more stringent processes/ controls must be followed.

Political Donations

As stated in our Code of Conduct, the Company is not a political organisation. It does not support political parties or contribute funds to groups whose activities are calculated to promote party interests or the election of a specific candidate. In very limited instances, if permitted by local law and regulation and with specific approval from the General Manager, the Company may contribute funds toward organisations or entities that engage in the political process to address an issue that directly affects the Company and its business activity. Any request for approval for such payments and the permission must be documented in writing and the payments properly recorded.

Charitable contributions

Charitable contributions may only be given to recognised non-profit charitable organisations. All donations must be:

- transparent and properly recorded in our books and records; and

- receipted or have a letter of acknowledgement from the charity to ensure that the donations receive the proper tax treatment.
- be compliant with local law, regulations or local or Business Unit internal policies

Donations must not:

- be made to individuals or in cash; or
- be made at the request of a public official as an inducement to or reward for acting improperly.

Record Keeping

Financial and non-financial records which CETAS maintains are disclosed to shareholders, regulators and other stakeholders. Accordingly, these records must be accurate and complete so that the Company can substantiate and justify any transactions with third parties.

All persons who are subject to this Policy must declare and record in writing all hospitality and gifts given or received. CETAS introduced an electronic Gift and Entertainment Register whose Disclosure Form can be accessed on the intranet. All persons who are subject to this Policy with access to the intranet are expected to use it for recording. They must also submit expenses claims relating to hospitality, gifts or payments made to third parties promptly and provide justification for this expenditure.

All accounts, invoices, and other records involving transactions with third parties including suppliers and customers must be prepared accurately. Under no circumstances should a person prepare an account "off-book", particularly where this is designed to conceal an improper transaction.

"Red Flags"

There are a number of issues which should cause us to do some further investigation into whether a particular transaction or relationship may present a potential bribery risk or issue.

All persons who are subject to this Policy must remain vigilant and attempt to spot any of the scenarios listed below. If you should come across a potential issue of the kind listed below, you should (i) consider whether further investigation and due diligence of your counterparty is necessary; and/or (ii) escalate the matter to your manager and your Designated Legal/Compliance Officer.

Potential issues which call for further vigilance and/or investigation include:

- the prevalence of bribery in a country that has a nexus with the particular transaction or relationship (third party is located in such country or the transaction involves such country); e.g. according to the Corruption Perception Index (CPI) as evaluated annually by Transparency International
- payments of unusually high fees or commissions;
- requests for cash payments or requests for unexpected payments related to government approvals;
- requests for payments to different companies or through different countries;
- undefined or unreported payments to third parties made on CETAS's behalf;
- no written agreements;
- unusually close relationships with government officials;
- a refusal to certify compliance with this Policy; or
- payments without a PO number, where applicable