



CHINA NUCLEAR ENERGY TECHNOLOGY CORPORATION LIMITED

中國核能科技集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 611)

ANTI-CORRUPTION AND BRIBERY POLICY

1. Purpose

China Nuclear Energy Technology Corporation Limited (the “Company”) and its subsidiaries (collectively the “Group”) are committed to abiding by all laws and regulations or if necessary to exceeding them, to prevent corruption and bribery in all business dealings. This Policy provides information and guidance to our personnel on how to recognize and deal with bribery and corruption, and to ensure that the business the Group is conducted in a socially responsible manner. This policy applies to all employees, business partners and service providers of the Group.

2. Scope

Corruption and bribery include any illicit advantage offered or accepted as an inducement to or a reward for performing or abstaining from performing any duties. Items considered bribes include cash, cash equivalents, loans, commissions, benefits in kind or other advantages, but excluding traditional gifts of nominal value given during festive seasons. In this Policy, the following words shall have the meanings set out below:

“advantage” shall mean paying or giving anything of value directly or indirectly, or any other action, such as any office, employment or contract; any payment or discharge of any loan or other liability; any other service or favour; the exercise or forbearance from the exercise of any right or any power or duty; and any offer, undertaking or promise;

“bribes” shall mean anything of value given in an attempt to affect a person’s actions or decisions in order to gain or retain a business advantage. Bribes can take many forms such as cash or cash equivalent vouchers, travel and entertainment activities, gifts of a significant value, payments disguised as consultancy fees, commissions, sponsorships or contributions to charity or political parties when the real purpose is to improperly

influence a decision.

“hospitality” shall mean meals, receptions, tickets to entertainment, social or sports events; and

“kickback” shall mean the return of a sum already paid or due as a reward for awarding further business.

It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery.

We uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we remain bound by the laws of Hong Kong in respect of our conduct both at home and abroad.

Bribery and corruption are punishable for individuals by up to ten years' imprisonment and a fine. If we are found to have taken part in corruption, we could face an unlimited fine, be excluded from tendering for public contracts and face damage to our reputation. We therefore take our legal responsibilities very seriously.

In this policy, third party means any individual or organisation our employees come into contact with during the course of duty, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

This policy applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as employees in this policy).

3. Category of Corruption

3.1 Bribes

Employees must not engage in any form of bribery, either directly or through any third party (such as an agent, distributor, consultants and/or suppliers).

3.2 *Gifts and hospitality*

3.2.1 Employees must not offer or give any gift or hospitality:

- (a) that could be regarded as illegal or improper; or
- (b) that violates the recipient's policies; or
- (c) to any public employee or government officials or representatives, or politicians or political parties.

3.2.2 Employees may not accept any gift or hospitality from our business partners if:

- (a) it is in cash; or
- (b) there is any suggestion that a return favour will be expected or implied.

3.2.3 In general situation, only gifts, which are of modest value and customary in the country or region and which serve a business purpose can be given or accepted. If it is not appropriate to decline the offer of a valuable gift, the valuable gift may be accepted, provided it is then declared to the Chief Executive Officer and properly recorded in a register and such valuable gift shall be handed over to the Company.

3.2.4 When the Chief Executive Officer who is not a member of the Board is offered valuable gift under the above situation, he should make declaration to the Board.

3.3 *Facilitation payments and kickbacks*

Facilitation payments are a form of bribery made for the purpose of expediting or facilitating the performance of a public official for a routine governmental action, and not to obtain or retain business or any improper business advantage. Facilitation payments tend to be demanded by low level officials to obtain a level of service which one would normally be entitled to.

Our strict policy is that facilitation payments must not be paid. We recognise, however, that our employees may be faced with situations where there is a risk to the personal security of an employee or his/her family and where a facilitation payment is unavoidable, in which case the following steps must be taken:

- Keep any amount to the minimum;
- Create a record concerning the payment; and
- Report it to your line manager.

In order to achieve our aim of not making any facilitation payments, each business of the Company will keep a record of all payments made, which must be reported to the Company Secretary, in order to evaluate the business risk and to develop a strategy to minimize such payments in the future.

3.4 Political Contributions

We do not make donations, whether in cash or kind, in support of any political parties or candidates, as this can be perceived as an attempt to gain an improper business advantage.

3.5 Charity and sponsorship

Charitable support, donations and sponsorship are acceptable, whether of inkind services, knowledge, time, or direct financial contributions. However, employees must be careful to ensure that charitable contributions and sponsorship are not used as a scheme to conceal bribery. We only make charitable donations and sponsorship that are legal and ethical under local laws and practices. No donation and sponsorship must be offered or made without the prior approval of the Chief Executive Officer.

All charitable contributions and sponsorship must always be transparent.

4. Your responsibilities to anti-corruption and bribery

Employees must ensure that you read, understand and comply with this policy.

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control. All employees are required to avoid any activity that might lead to, or suggest, a breach of this policy, all applicable laws, rules and regulations in relation to anti-corruption and bribery, and adhere to the following:

- no acceptance of improper payments, kickbacks and other forms of bribery;
- no payment, offer, solicitation, proposal of terms for, or acceptance of, bribes directly or with the assistance of any organization or individual;
- no attempt to circumvent any anti-corruption and bribery provisions through the use of agents, partners, contractors, family members or any others acting on someone's behalf;
- no offer or acceptance of any gift, gratuity or hospitality that might be perceived to unfairly influence a business relationship; and
- no acceptance of lavish or frequent entertainment from persons with whom the Group has business dealings if, by doing so, it might be perceived that the

employees are placing themselves in a position of obligation to the offeror.

Every employee has a duty to report any potential violations of this Policy and any employee who receives an offer of bribery must immediately report to his/her supervisor and/or the Secretary of the Company

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. We reserve our right to terminate our contractual relationship with other workers if they breach this policy.

5. Whistleblowing and improprieties

5.1 Whistleblowing refers to a situation where employees, customers, suppliers or any third parties who deal with the Group report concerns about any suspected or actual improprieties relating to the Group. Whistleblowers may raise their concerns about any suspected or actual improprieties by writing according to the Whistleblowing Policy of the Group. All reports will be treated strictly in accordance to the Whistleblowing Policy

11. Responsible for the policy

The Company will review this Policy from time to time as appropriate, and in any event, once every three years.

This Policy should be read in conjunction with the Group's Employee Business Ethics and Code of Conduct Policy and Whistleblowing Policy which together set out the minimum standards to assist employees in recognizing circumstances which may lead to or give the appearance of involvement in corruption or bribery. A clear guidance and approval procedure for management control has been, and shall continue to be posted to the Company's intranet for adherence by staff of the Group.