



(Cayman Island Company no. HL292258)
(Incorporated in the Cayman Islands with limited liability)
(the “Company”)
(Stock Code: 1500)

Anti-Corruption Policy and Code of Conduct

In Construction Holdings Limited (the Company) regards honesty, integrity and fair play as our core values that must be upheld by all directors and staff of the Group at all times. This Code sets out the basic standard of conduct expected of all directors and staff, and the Group’s policy on acceptance of advantage and handling of conflict of interest when dealing with the Group’s business.

1.1 Prevention of Bribery

Prevention of Bribery Ordinance

1.1.1 Under the Prevention of Bribery Ordinance (the Ordinance), any director or staff member who, without the permission of his employer or principal (i.e. the Company), solicits or accepts an advantage as a reward or inducement for doing any act or showing favour in relation to the latter’s business, commits an offence. The person offering the advantage also commits an offence.

Acceptance of Advantage

1.1.2 It is the Company’s policy that directors and staff, in their private capacity, should not solicit or accept an advantage from any person, company or organization having business dealings with the Company, except that they may accept (but not solicit) the following advantages when offered on a voluntary basis:

1.1.2.1 Advertising or promotional gifts or souvenirs of a nominal value; or

1.1.2.2 gifts given on festive or special occasions, subject to a maximum limit of \$500 in value; or

1.1.2.3 discounts or other special offers given by any person or company to them as customers, on terms and conditions equally applicable to other customers in general; or

1.1.2.4 gifts or souvenirs of nominal value presented to them in official functions.

No director or staff member should, in his/her private capacity, accept or solicit any advantage from a subordinate, except those mentioned in paragraphs 1.1.2.1 and 1.1.2.2 above.

- 1.1.3 Gifts or souvenirs described in paragraph 1.1.2.4 above are deemed as offers to the Group. The Directors and staff members concerned should report the acceptance to the Board and seek direction as to how to handle the gifts or souvenirs from the approving authority using Form A (Appendix 1). If a director or staff member wishes to accept any advantage not covered in paragraph 1.1.3, he/she should also seek permission from the approving authority using Form A.
- 1.1.4 However, a director or staff member should decline an offer of advantage if acceptance of advantage could be deemed as an inducement to or reward for or otherwise on account of his (i) doing or forbearing to do, or having done or forborne to do, any act in relation to the Group's affairs or business or (ii) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to an person in relation to the Group's affairs or business.
- 1.1.5 If a director or staff member has to act on behalf of a client in the course of carrying out the Group'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

- 1.1.6 Directors and staff are prohibited from offering advantages to any director or staff of another company or organization, for the purpose of influencing such person or company in any dealings, affairs, or any public official, whether directly or indirectly through a third party, when conducting the Group's business.

Entertainment

- 1.1.7 "Entertainment" refers to food or drink provided for immediate consumption on the occasion, and any other entertainment provided at the same time. Although entertainment is an acceptable form of business and social behaviour, a director or staff member should avoid accepting overly lavish or frequent entertainment from persons with whom the Group has business dealings (e.g. suppliers or contractors) or from his/her subordinates to avoid placing himself/herself in a position of obligation.

Records, Accounts, and Other Documents

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

1.2 Compliance with Laws of Hong Kong and in Other Jurisdictions

1.2.1 Directors or staff must comply with all local laws and regulations when conducting the Group's business, and also those in other jurisdictions when conducting business there.

1.3 Conflict of Interest

1.3.1 Directors and staff should avoid any conflict of interest situation (i.e. situation where their private interest conflicts with the interest of the Group) or the perception of such conflicts. They should not misuse their position or authority in the Group to pursue their own private interests which include both financial or personal interests and those of their family members, relatives or close personal friends. When actual or potential conflict of interest may arise, the director or staff member should make a declaration to the management through the reporting channel using Form B (Appendix 2).

1.3.2 Some common examples of conflict of interest are described below but they are by no means exhaustive:

1.3.2.1 a staff member 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 Group.

1.3.2.2 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 staff member involved in the process.

1.3.2.3 a director of the Group has financial interest in a company whose quotation or tender is under consideration by the Board.

1.3.2.4 a staff member (full-time or part-time) undertaking part-time work with a contractor whom he is responsible for monitoring.

1.4 Use of Company Assets

1.4.1 Directors and staff in charge of or having access to any Group assets, including funds, property, information, and intellectual property, should use them solely for the purpose of conducting the Group's business. Unauthorized use, such as misuse for personal gain, is strictly prohibited.

Confidentiality of Information

1.4.2 Directors and staff should not disclose any confidential information of the Group without prior authorisation nor could they use any confidential information of the Group for purpose other than in the ordinary conduct of the Group's business (e.g. unauthorised sale of the information). Those who have access to or are in control of such information, including information in the Group's computer system, should at

all times protect the information from unauthorised 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 the Personal Data (Privacy) Ordinance (Cap. 486).

1.5 Outside Employment

- 1.5.1 Any full time staff who wish to take up employment outside the Group, must seek the prior written approval of the approving authority. The approving authority should consider whether the outside employment would give rise to a conflict of interest with the staff's duties or the interest of the Group.

1.6 Relationship with Suppliers, Contractors and Customers

Gambling

- 1.6.1 Directors and staff are advised not to engage in frequent gambling activities (e.g. mahjong) with persons having business dealings with the Company.

Loans

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

1.7 Compliance with the Code

- 1.7.1 It is the responsibility of every director and staff member of the Group to understand and comply with this Code, whether performing his company duties in or outside Hong Kong. Managers and supervisors should also ensure that the staff under their supervision understand well and comply with this Code.
- 1.7.2 Any director or staff member in breach of this Code will be subject to disciplinary action, including termination of appointment. Any suspected cases of corruption or violation of the Ordinance should be escalated to the board for consideration and where the Board deems appropriate, a report should be made to the ICAC and the appropriate authority.
- 1.7.3 Any enquiries about this Code or reports of possible breaches of this Code should be made to Compliance Officer.

Periodic Review and Policy Disclosure

This policy will be reviewed annually and revised as necessary to ensure its effectiveness and will be disclosed on the website of the Company.

Passed by the Board of Directors: 30 December 2022

Appendix 1 – Report on Gifts Received

Form A

(Company Name)
REPORT ON GIFTS RECEIVED

Part A – To be completed by Receiving Staff

To: (Approving Authority)

Description of Offeror :

Name & Title of Offeror : _____

Company : _____

Relationship (Business / Personal) : _____

Occasion on which the gift was / is to be received : _____

Description and (assessed) value of the gift :

Suggested Method of Disposal :	Remark
() Retain by the Receiving 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) :	_____

(Date)

(Name of Receiving Staff)

(Title)

Part B – To be completed by Approving Authority

To: (Name of Receiving Staff)

The recommended method of disposal is **approved / not approved*. *The gift(s) concerned should be disposed of by way of : _____.

(Date)

(Name of Approving Authority)

(Title)

* Delete as appropriate.

Appendix 2 – Declaration of Conflict of Interest

Form B

(Company Name)

DECLARATION OF CONFLICT OF INTEREST

Part A – Declaration *(To be completed by Declaring Staff)*

To : *(Approving Authority) via (Supervisor of the Declaring Staff)*

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

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

(Date)

(Name of Declaring Staff)
(Title / Department)

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

To : *(Declaring Staff) via (supervisor of the 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)

(Name of Approving Authority)
(Title / Department)

* Delete as appropriate.