

Lotus Horizon Holdings Limited

智中國際控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 6063)

Anti-corruption Policy

Version 1.0 : 29 March 2022

1. Objective

Lotus Horizon Holdings Limited (the “**Company**”), together with its subsidiaries (collectively, the “**Group**”), is committed to ethical and anti-corruption practices in doing business. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

The of Directors (the “**Board**”) of the Company and senior executives of the Group pledge to support the adoption of ethical and anti-corruption practices in all business decisions, and to conduct all of our work in an honest and ethical manner.

2. Scope of the Policy

This anti-corruption policy applies to all personnel of the Group, including our director(s) and staff at all levels. No one in the Group should be exempted from this policy, including Board director(s) and senior executives. This policy should also cover, as appropriate, third parties doing business with the Group, such as agents, suppliers and contractors.

3. Statement of Policy against Corruption

It is our commitment to:

- (i) prohibit the solicitation and acceptance of bribes or improper advantages from others in relation to the Group’s business affairs, whether in Hong Kong or elsewhere;
- (ii) prohibit the offering of bribes or improper advantages to agents of others in carrying out the Group’s business, and the offering of advantages to public servants while having business dealings with their organisations, whether in Hong Kong or elsewhere; and
- (iii) adopt zero tolerance towards corruption and related malpractice.

4. Policy to Prevent Corruption

Integrity requirements to director(s) and staff of the Group

The Group has set up the detailed integrity requirements for the Group’s personnel (i.e. director(s) and staff) in the Code of Conduct, including:

- (a) policy and restrictions on acceptance of gifts/advantages and entertainment from persons having business dealings with the Group;

- (b) policy and restrictions on offering of gifts/advantages and entertainment to persons having business dealings with the Group and public servants; and
- (c) prohibition against abuse of official position for personal benefits or benefits of personal associates, and requirement to avoid and declare conflict of interest, etc.

It is clearly stated in the Group's Code of Conduct that all of our director(s) and staff must fully comply with compliance with the Prevention of Bribery Ordinance (POBO). New staff, as well as director(s), are required to read the Code of Conduct and sign off that they fully understanding the contents of the Code of Conduct when they are newly employed or engaged by the Group.

Anti-corruption requirements for business partner

Business partners (including agents, consultants and contractors) acting on the Group's behalf may also be exposed to corruption risks. Therefore, the Group may be exposed to similar risks resulting from corruption of its business partners when doing business with them.

It is therefore important for the Group to only engage business partners which have an anti-corruption commitment. The Group should inform all its business partners of our anti-corruption policy. As far as practicable, for major contracts and partnering arrangements, the Group should include suitable anti-corruption and probity requirements in the agreements with the business partners, for example:

- (a) prohibition against bribing of the Group's staff or offering of advantages to them without the Group's permission in doing business with the Group;
- (b) prohibition against bribery of any form in carrying out business under the contract/partnership or on behalf of the Group;
- (c) the need to ensure that all the relevant personnel are made aware of the anti-corruption requirements, such as through a code of conduct, probity guidelines and adequate training;
- (d) the need to apply the same anti-corruption requirements to all contractors, suppliers, subcontractors engaged for the contract/partnership;
- (e) the need to take proper action, such as reporting any corruption/fraud detected to the relevant law enforcement agency; and
- (f) the right for the Group to terminate the contract with the business partner if it or its staff member breaches the anti-corruption requirements.

5. Whistleblowing Policy and Handling of Reports of Violations

The Group has set up a Whistleblowing Policy for reporting any malpractice including, but not limited to, corruption and violations of this Anti-corruption Policy. We require all personnel of the Group to report promptly any corruption through the reporting channels provided. It is also the Group policy to:

- (i) encourage business partners (e.g. suppliers) to report corruption or corruption attempts by any of the Group's personnel;
- (ii) provide assurance of confidentiality, prompt handling and non-retaliation to whistleblowers acting in good faith; and
- (iii) reiterate the zero-tolerance policy towards any corrupt behaviour detected, which will result in reporting to the relevant law enforcement agency and disciplinary action such as termination of employment (in the case of staff) or termination of contract and exclusion from future bidding (in the case of suppliers/contractors).

6. Adoption

This policy has been adopted by the Board on 29 March 2022.

The Board of Directors and the Audit Committee will supervise and review the implementation and effectiveness of the policy on a regular basis.

Note: If there is any inconsistency between the English and Chinese versions of this document, the English version shall prevail.