

CODE OF CONDUCT IN CORPORATE ETHICS

Introduction

1. Shinryo (Hong Kong) Ltd. (hereafter referred to as the Company) regards honesty, integrity and fair play as our core values that must be upheld by all employees¹ of the Company at all times. This Code sets out the basic standard of conduct expected of all employees, and the Company's policy on acceptance of advantage and handling of conflict of interest when dealing with the Company's business.

Prevention of Bribery

Prevention of Bribery Ordinance

2. Under the Prevention of Bribery Ordinance (the Ordinance), any employee who, without the permission of 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.

(The relevant provisions of Section 9 of the Ordinance and the definition of "advantage" are detailed at Annex I.)

No Acceptance of Advantage

3. Employees are not allowed to accept commissions, entertainment² or gifts³, whether pecuniary or in kind, from persons or organizations of firms with whom the Company transacts.

Offer of Advantage

4. Employees 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, or any public official, whether directly or indirectly through a third party, when conducting the Company's business.

¹ "Employees" cover Company Director, full-time, part-time and temporary staff, except where specified.

² For the purpose of this policy, food or drink provided for immediate consumption on the occasion is not considered as 'entertainment'.

³ Souvenir with nominal value for promotion purpose is exempted

Records, Accounts and Other Documents

5. Employees should ensure that all records, receipts, accounts or other documents they submit to the Company, 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 Company, regardless of whether there is any gain or advantage involved, may constitute an offence under the Ordinance.

Compliance with Laws of Hong Kong and in Other Jurisdictions

6. 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.

Conflict of Interest

7. Employees are not allowed to hold any other job or engaged in any activity which involves:-
 - (a) Use of Company's time, equipment, facilities, assets or services
 - (b) Selling goods or services to the Company either directly or indirectly through such means as an enterprise or a firm (whether public or private) or a commercial organization in which the employees have a financial interest
 - (c) Conducting business with people or organization who also transact business with the Company, particularly where the employees regularly represent the Company in its dealing with such persons; and
 - (d) Travel, meetings, work schedules or any responsibility which necessarily involve interruption to or a compromise of these job responsibilities for which the employees are held accountable.

Outside Employment

8. An employee engaging in or wishing to engage in any other job or private business must have the approval from the Company. Such business must never conflict with the interests of the Company and is not encouraged.

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

9. Employees are advised not to engage in frequent gambling activities (e.g. mahjong) with persons having business dealings with the Company.

Loans

10. 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 Code

11. It is the responsibility of every employees of the Company 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.
12. Any employee in breach of this Code will be subject to disciplinary action, including termination of appointment. In cases of suspected corruption the Company will report to the ICAC and other criminal offences, to the appropriate authority.
13. Any enquiries about this Code or reports of possible breaches of this Code should be made to Human Resources & Administration Department.



President

Victor Cheung King Wah

Date: