

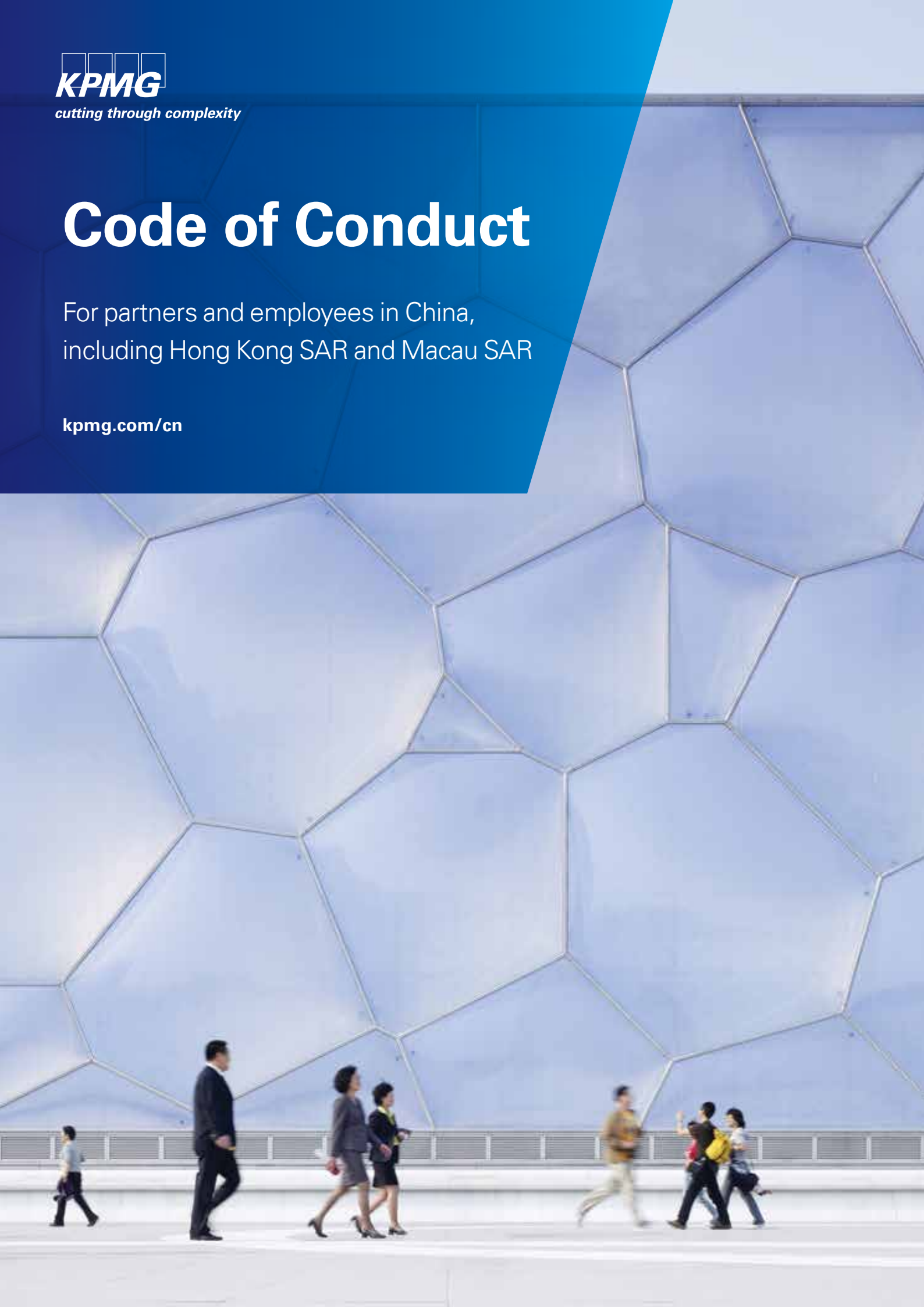


cutting through complexity

Code of Conduct

For partners and employees in China,
including Hong Kong SAR and Macau SAR

kpmg.com/cn



Contents

02	Leadership message
03	KPMG – Code of Conduct introduction
07	KPMG’s Values
09	Commitments
11	Responsibilities
13	Where to get help
13	Compliance with the Code

Leadership message

A message from our Chairmen



Honson To
Chairman

Benny Liu
Chairman

Integrity is the foundation of every business relationship. The highest standards of ethical conduct and excellence go hand in hand in the services we provide to clients.

Our Firm's success has been, and must remain, based on a fundamental and genuine commitment to performance with integrity — at all times and in everything we do. That commitment must be embraced by each and every one of us. It should be fostered among those with whom you interact. And it must find unwavering support from everyone in a leadership position at the Firm.

The fundamental importance of ethics and integrity is reflected in KPMG's vision of being a great place for advancing the careers of all our people in a rewarding and fulfilling environment. For our partners and all our employees, that means a strong sense of inclusion, mutual respect, open and honest communication, fairness, teamwork, and pride in being associated with each other and being part of KPMG. Our unshakable commitment to integrity and to our vision of being an Employer of Choice is closely interconnected with the values that guide our actions.

This Code of Conduct (the Code) has been developed to define the standards by which KPMG does business. While it embraces all of the KPMG Values, its specific principles are underpinned by the value of integrity. At KPMG, integrity must be about doing the right thing — adhering to high standards of ethical conduct and being honest, accountable, and consistent with KPMG's rigorous standards of professionalism. The Code reminds each of us how to behave in response to the challenges we face as professionals in the modern global business environment. Part of making the Code work is cooperating as a strong team — a team willing to ask and willing to help.

So please read this Code carefully and discuss any questions you may have with your performance manager.

The reality of business may mean there could be times when you feel under pressure to compromise KPMG's Values and standards. It could be a challenging deadline for a client or a demanding year-end performance goal. But no matter how important the matter or how high the stakes may be, there never is a situation when compromising KPMG's standards is either expected of you or acceptable.

Our reputation has been hard won, and the Code will help all of us to live up to the high standards of behaviour that we expect of ourselves and that are expected of us. This Code brings together policies and standards of ethical behaviour that reflect the integrity and values of our Firm. We call on all partners and employees to dedicate themselves to maintaining trust with our clients and colleagues, the capital markets and investing public, regulators, and the communities in which we live and work. Please join us in reaffirming a culture based on integrity of which we can all be proud.

Benny Liu & Honson To
Chairmen

Introduction



Within KPMG, our core asset is our people; so for us all to perform at our best and to provide the service that our clients expect and require of us, we promote an environment and culture that supports, challenges, and develops our people. The KPMG Code of Conduct is a summary of the KPMG environment and culture, and the many factors which interweave to foster it across our Firm.

The Code of Conduct is intended for use:

- By our leadership and management teams, to help them ensure that the decisions they make, the role models they represent, and the expectations they have of their colleagues take into account both their responsibilities and the Firm's Values
- By new and prospective employees as a guide to the Firm they have or are considering joining
- By our clients, suppliers, and contacts, as they seek to understand the nature of the organisation with which they are dealing
- Most importantly, by all our people, to recognize what is expected of them and the responsibilities resting on each of them to make sure we all adhere to the Values, for the benefit of each other, our Firm, our clients, and the wider communities in which we operate.

The Code of Conduct (the Code) is a publicly available document that may be accessed through the KPMG China Web site at www.kpmg.com/cn that identifies the Values that everyone at KPMG¹ lives by:

KPMG's Values – The KPMG's Values are at the center of all that we stand for. They are the guiding principles of ethical behavior which KPMG adopts and requires our people to adhere to.

KPMG Commitments – To enable KPMG to live up to these values, we make a number of important commitments to our people, to our Firm, to our clients, and to our communities. These are set out in the second part of the Code. These commitments are the same across our offices in China and demonstrate a consistent emphasis on ethical behavior wherever KPMG does business.

Our people's responsibilities – In order to meet these commitments, we expect our people to acknowledge that they all have important responsibilities in their day-to-day activities. These individual responsibilities form the third part of the Code, which incorporates an ethics checklist. The Code also includes a section on where to get help when difficult situations arise.

¹Throughout this Code, "we," "KPMG," "us," and "our" refers to the KPMG China, including all offices in Mainland China, Hong Kong SAR and Macau SAR.

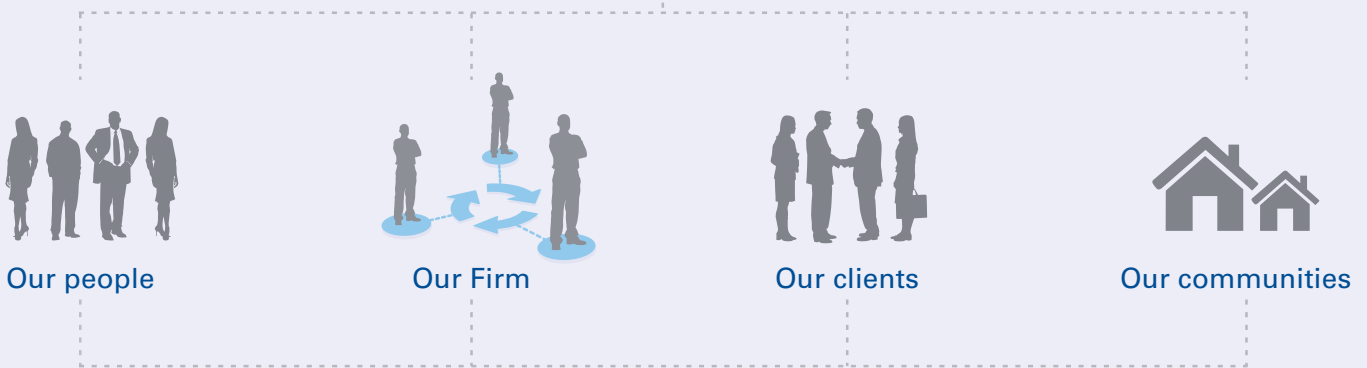


KPMG's Values:

- Leading by example
- Working together
- Respecting the individual
- Seeking the facts
- Communicating openly and honestly
- Being committed to our communities
- Above all, acting with integrity



KPMG Commitments



Your responsibilities



Policies and procedures

Code of Conduct

The above chart illustrates how the Code connects our Values with the detailed policies and procedures that we and our people follow.



KPMG's Values

KPMG's Values lie at the heart of the way we do things and define our culture and our commitment to the highest principles of personal and professional conduct.

We lead by example—at all levels acting in a way that exemplifies what we expect of each other and our clients.

We work together—bringing out the best in each other and creating strong and successful working relationships.

We respect the individual—respecting people for who they are and for their knowledge, skills, and experience as individuals and team members.

We seek the facts and provide insight—challenging assumptions, pursuing facts, and strengthening our reputation as trusted and objective business advisers.

We are open and honest in our communication—sharing information, insight, and advice frequently and constructively and managing tough situations with courage and candor.

We are committed to our communities—acting as responsible corporate citizens and broadening our skills, experience, and perspectives through work in our communities.

Above all, we act with integrity—constantly striving to uphold the highest professional standards, provide sound advice, and rigorously maintain our independence.

The core value of integrity underlies all the principles of the Code.



Commitments

This section sets out the commitments that we make to our people, our Firm, our clients, and our communities.

Our people

“Our people” are the employees, partners, subcontractors, consultants, and others with whom we work in the provision of, and support of, professional services.

- Help our people to be objective, ethical, and professional
- Encourage our people to raise ethical and professional issues without fear of retaliation
- Invest in our people’s professional development so that they can reach their full potential
- Champion an inclusive and collaborative culture that is free from bullying, discrimination, and harassment, where everyone is treated with respect and dignity
- Respect the confidentiality of our people’s personal data
- Provide a safe and healthy work environment
- Provide appropriate work/life flexibility
- Maintain a just and fair approach to remuneration

Our Firm

“Our Firm” includes all KPMG China’s offices in Mainland China, Hong Kong SAR and Macau SAR.

- Accept the right clients and only accept engagements that we can perform consistent with our high-quality standards
- Work with clients, suppliers, and subcontractors that live up to KPMG’s core ethical standards
- Drive quality by developing and applying appropriate KPMG methodologies and procedures
- Address challenging situations in the right way by applying professional ethics and consulting with experienced people within KPMG to reach the right conclusions
- Strive at all times to protect and enhance KPMG’s brand and reputation
- Keep assets and resources safe and use them only for appropriate business purposes

Our clients

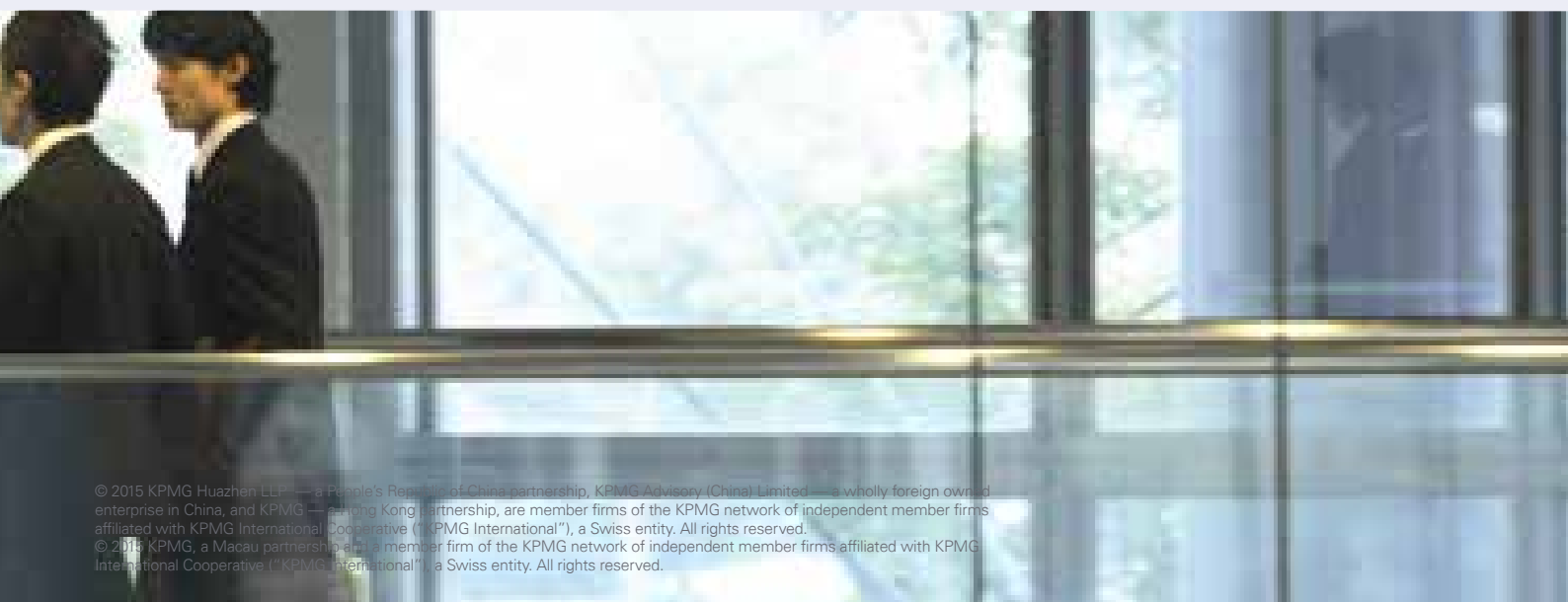
“Our clients” are the organisations and individuals to whom we provide professional services.

- Deliver a high-quality service to clients in line with our qualifications, experience, professional commitments, and engagement terms
- Act lawfully, ethically, and in the public interest
- Maintain independence and objectivity and avoid actual or perceived conflicts of interest
- Protect our clients’ confidentiality and only use their information for proper business purposes
- Promote KPMG’s services honestly and compete fairly
- Prohibit bribery and corruption by our people, and do not tolerate illegal or unethical behavior by our clients or suppliers or by public officials

Our communities

“Our communities” are the marketplaces, locations, authorities, and societies in or with which we operate and with which we engage.

- Enhance the role of the accounting profession and build trust in the global capital markets
- Contribute to a better-functioning market economy
- Act as a responsible corporate citizen—play an active role in global initiatives relating to climate change, sustainability, and international development
- Manage our environmental impacts
- Follow high standards of ethical conduct around the world including aspiring to the ten principles of the United Nations Global Compact
- Work with other businesses, governments, and charitable organisations to create stronger communities



Responsibilities

Individual responsibilities

Every KPMG person is individually responsible for ensuring these commitments are met. As a KPMG person, you are expected to:

- **Stay informed** – Participate in training, read communications, use KPMG resources, and consult when necessary to stay informed about laws, professional standards, and KPMG policies that apply to you in your work.
- **Stand firm** – No matter how strong the pressure to achieve targets or to act in an inappropriate way, you should never compromise KPMG's Values. Do not be afraid to express differences of opinion or deliver unwelcome messages.
- **Take ownership** – Incorporate the principles of the Code into your daily activities. You are responsible for safeguarding KPMG's integrity. It takes only one person to damage it.
- **Raise issues** – Your voice counts. Speak up if something does not seem right. Raise your concerns and offer suggestions for improvement.
- **Consult with others** – You are not expected to know everything and you should consult when in doubt or if you think you or someone else might have made a mistake.

Leadership responsibilities

Those with leadership roles have additional responsibilities. Whether you are a partner or the supervisor of a small team, you should:

- **Lead by example** – Show through your actions what it means to act with integrity and to act in accordance with the principles of the Code.
- **Support your team** – Ensure that those you lead know and understand the Code and have access to the resources they need to adhere to the KPMG's Values.
- **Develop your team** – Set clear, measurable, and challenging goals that promote ethical behavior and the highest standards of client service.
- **Uphold exemplary standards** – As a leader, you should enforce KPMG's standards consistently and fairly, and promote compliance with the Code among those you lead.
- **Exercise your judgment** – Respond thoughtfully and carefully to those who raise questions and concerns in good faith.
- **Be accountable** – You should be prepared to be held personally accountable for any shortcomings in your own behavior as well as those of the people you lead.

Each KPMG partner and employee is personally responsible for following the legal, professional, and ethical standards that apply to his or her job function and level of responsibility.

Ethics Checklist

Our ethical behavior—that is to say our personal recognition of what is appropriate, what is right, and what is for the wider benefit of us all—should guide our response to the situations that arise in the course of our work at KPMG. These behaviors must clearly be aligned with applicable laws, regulations, and standards and with KPMG policies. At the same time, they should reflect wider ethical considerations, including our Values and Commitments.

The Ethics Checklist set out below has been prepared to help you decide how you should respond—not only when you are faced with a difficult decision or situation, but also in going about your daily business.

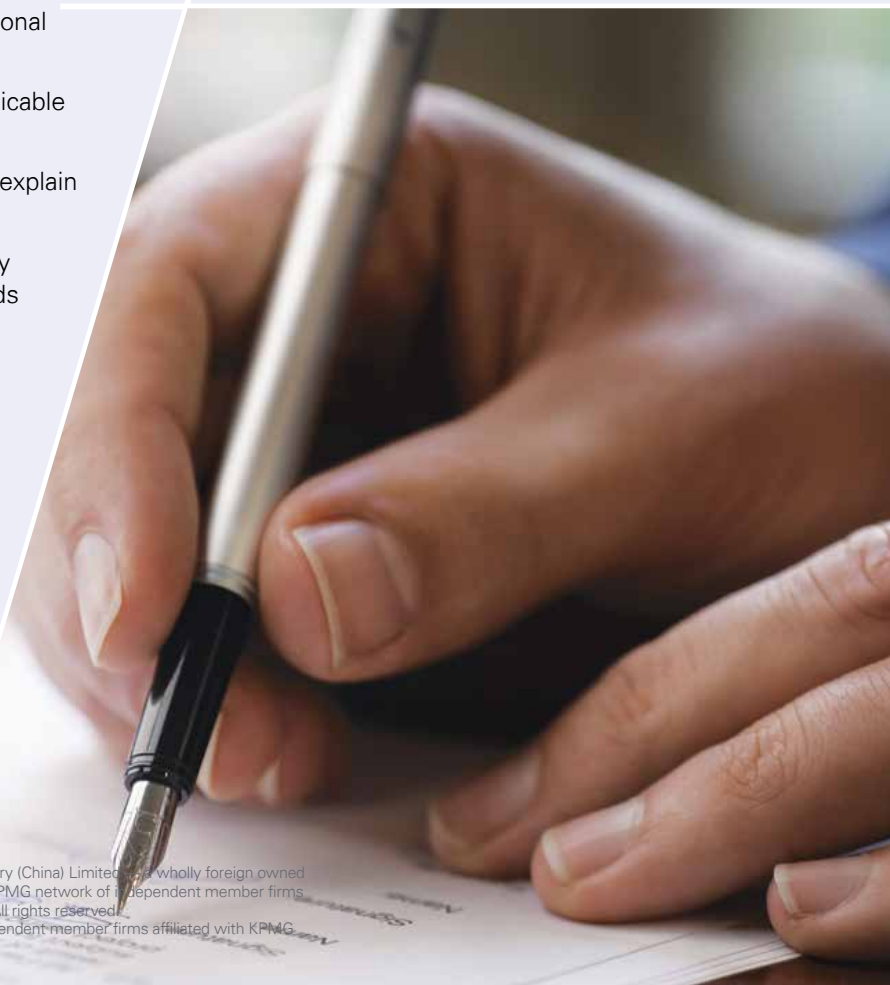
Always ask yourself:

- Is my behavior consistent with KPMG’s Values and ethical or professional standards?
- Does my decision reflect the right thing to do?
- Is my decision being driven by responsible professional judgment?
- Does my action comply with KPMG policy and applicable law or regulation?
- Am I confident that I would not be embarrassed to explain my decision if it were made public?
- Do the actions taken by a colleague or client comply with applicable law, regulation, and ethical standards and (if a colleague) with KPMG policy?

If the answer to any of these questions is ‘no,’ or if you are not sure, then you need to get help. This includes situations where:

- You are uncertain about the interpretation of applicable policies, laws, regulations, or professional standards—many of these can be complex
- Differences of opinion make the course of action unclear
- Potential actions (or inaction) or decisions make you uncomfortable.

You are also required to report potential or suspected violations of KPMG policy or applicable laws, regulations, or professional standards. This includes situations when you know or suspect that colleagues, clients or parties associated with clients, or suppliers, subcontractors, or associated third parties are engaged—or may be about to engage—in illegal or unethical activity.



Where to get help

There are many avenues available to you to get help, and you should select the ones you think are most appropriate to the situation. Examples of where to go for help include:

- Your supervisor, manager, or performance manager
- Your engagement partner
- Functional Partner-In-Charge
- Office Senior Partner
- Chairman
- Ethics and Independence Partner
- Risk Management Partner
- Human Resources Partner
- Internal legal counsel
- KPMG China's Ethics Hotline (www.kpmgchina-hotline.com)

Compliance with the Code

Everyone at KPMG is required to comply with the Code of Conduct.

Noncompliance by KPMG people with the Code or with relevant supporting policies or procedures may have an impact on their performance evaluation and result in disciplinary action by the Firm.

KPMG requires our people to take ethical training covering the Code every two years.



The Code of Conduct reminds each of us how to behave in response to the challenges we face as professionals in the modern global business world.

Mainland China

Beijing

8th Floor, Tower E2, Oriental Plaza
1 East Chang An Avenue
Beijing 100738, China
Tel : +86 (10) 8508 5000
Fax : +86 (10) 8518 5111

Chengdu

17th Floor, Office Tower 1, IFS
No. 1, Section 3 Hongxing Road
Chengdu, 610021, China
Tel : +86 (28) 8673 3888
Fax : +86 (28) 8673 3838

Chongqing

Unit 1507, 15th Floor, Metropolitan Tower
68 Zourong Road
Chongqing 400010, China
Tel : +86 (23) 6383 6318
Fax : +86 (23) 6383 6313

Foshan

8th Floor, One AIA Financial Center
1 East Denghu Road
Foshan 528200, China
Tel : +86 (757) 8163 0163
Fax : +86 (757) 8163 0168

Fuzhou

25th Floor, Fujian BOC Building
136 Wu Si Road
Fuzhou 350003, China
Tel : +86 (591) 8833 1000
Fax : +86 (591) 8833 1188

Guangzhou

38th Floor, Teem Tower
208 Tianhe Road
Guangzhou 510620, China
Tel : +86 (20) 3813 8000
Fax : +86 (20) 3813 7000

Hangzhou

8th Floor, West Tower, Julong Building
9 Hangda Road
Hangzhou 310007, China
Tel : +86 (571) 2803 8000
Fax : +86 (571) 2803 8111

Nanjing

46th Floor, Zhujiang No.1 Plaza
1 Zhujiang Road
Nanjing 210008, China
Tel : +86 (25) 8691 2888
Fax : +86 (25) 8691 2828

Qingdao

4th Floor, Inter Royal Building
15 Donghai West Road
Qingdao 266071, China
Tel : +86 (532) 8907 1688
Fax : +86 (532) 8907 1689

Shanghai

50th Floor, Plaza 66
1266 Nanjing West Road
Shanghai 200040, China
Tel : +86 (21) 2212 2888
Fax : +86 (21) 6288 1889

Shenyang

27th Floor, Tower E, Fortune Plaza
59 Beizhan Road
Shenyang 110013, China
Tel : +86 (24) 3128 3888
Fax : +86 (24) 3128 3899

Shenzhen

9th Floor, China Resources Building
5001 Shennan East Road
Shenzhen 518001, China
Tel : +86 (755) 2547 1000
Fax : +86 (755) 8266 8930

Tianjin

Unit 15, 47th Floor, Office Tower
Tianjin World Financial Center
2 Dagu North Road
Tianjin 300020, China
Tel : +86 (22) 2329 6238
Fax : +86 (22) 2329 6233

Xiamen

12th Floor, International Plaza
8 Lujiang Road
Xiamen 361001, China
Tel : +86 (592) 2150 888
Fax : +86 (592) 2150 999

Hong Kong SAR and Macau SAR

Hong Kong

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
23rd Floor, Hysan Place
500 Hennessy Road
Causeway Bay, Hong Kong
Tel : +852 2522 6022
Fax : +852 2845 2588

Macau

24th Floor, B&C, Bank of China Building
Avenida Doutor Mario Soares
Macau
Tel : +853 2878 1092
Fax : +853 2878 1096

kpmg.com/cn

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2015 KPMG Huazhen LLP — a People's Republic of China partnership, KPMG Advisory (China) Limited — a wholly foreign owned enterprise in China, and KPMG — a Hong Kong partnership, are member firms of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.
© 2015 KPMG, a Macau partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in Hong Kong.

The KPMG name, logo and "cutting through complexity" are registered trademarks or trademarks of KPMG International.

Publication number: HK-QRM15-0001

Publication date: July 2015