

## ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

### Prohibition against Accepting Bribes from Third Parties

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## INTRODUCTION

CSI Solar Co., Ltd. (“*CSI Solar*”) and its subsidiary entities (together with *CSI Solar*, the “*Company*”) are committed to conducting business in accordance with all applicable laws, rules and regulations and the highest ethical standards. This commitment is embodied in the Company’s *Code of Business Conduct and Ethics* (the “*Code*”) which, among other things, requires the Company and its directors, officers and employees to comply with the provisions of the various anti-bribery and anti-corruption laws, rules and regulations applicable in countries where the Company carries on business, including the United Kingdom *Bribery Act* which prohibits employees from accepting bribes.

Generally, “**bribery**” is the offer, promise or payment of cash, gifts and other inducements or favors to a person in a position of authority or trust to influence that person’s views or conduct or to obtain an improper advantage; and “**corruption**” is the misuse of public or entrusted power for private profit or gain. Bribery and corruption can take many forms, including cash payments, phony jobs or consulting arrangements, kickbacks, political or charitable contributions, social benefits, and gifts, travel, hospitality and reimbursement of expenses.

## **PURPOSE**

The purpose of this Anti-Bribery and Anti-Corruption Policy – Prohibition against Accepting Bribes from Third Parties (the “**Policy**”) is to supplement the Code by reiterating the Company’s commitment to full compliance with all applicable anti-bribery and anti-corruption laws, rules and regulations and providing guidelines for such compliance.

## **SCOPE**

This Policy applies to all directors, officers and employees of the Company (collectively, **Employees**). It also applies to all third parties who act for or on behalf of the Company, including a supplier of goods or services to the Company which subcontracts its obligations to the Company to a third party (collectively, “**Agents**”).

This Policy is intended to supplement not supplant applicable anti-bribery or anti-corruption laws, rules and regulations and other Company policies.

## **POLICIES**

### **Bribery**

#### ***Policy***

No Employee or Agent shall, directly or indirectly through a third party, request, accept or agree to accept anything of value from a third party, including anything of value for a benefit of a government official, in exchange for improper performance or the expectation of improper performance of the Employee’s or Agent’s duties or responsibilities with the Company.

The term “**anything of value**” includes cash, gifts, meals, travel and entertainment, business promotion activities, covering or reimbursing expenses, relief of indebtedness, political or charitable contributions, investment opportunities, subcontracts, loans, rewards, advantages or benefits of any kind, and other similar items.

The term “**government official**” includes an officer or employee or other person acting for or on behalf of (a) a government or any department, agency or instrumentality of a government, including an entity owned or controlled by the government, (b) a public international organization and (c) a political party, including a candidate for public office.

An Employee’s or Agent’s duties and responsibilities with the Company will be considered to have been “**improperly performed**” if the expectation that the Employee or Agent will act impartially and in good faith in the performance of his or her duties and responsibilities

has been compromised in any way or the Employee or Agent has performed his or her duties and responsibilities in a manner that is inconsistent with that which would reasonably be expected from a person in a position of power or trust.

### ***Exceptions***

The following will not be considered to compromise the expectation that an Employee will act impartially and in good faith in the performance of his/her duties and responsibilities.

### ***Gifts***

An Employee may accept a gift from a third party if the gift is:

- (a) not intended to induce the Employee to act in a manner that is not impartial and in good faith in the performance of his or her duties and responsibilities;
- (b) a *bona fide* promotion, courtesy, token of esteem or goodwill expenditure;
- (c) not in the form of cash;
- (d) of nominal value (on both an individual and aggregate basis) and the value is (1) customary for the country involved and appropriate for the occasion and (2) complies with the Company's rules set out below;
- (e) presented openly with complete transparency; and
- (f) except for promotional materials with logos having a value of less than RMB 160 (US\$25), accurately recorded in the Company's registry of gifts and benefits received.

Gifts having a value of more than RMB 1,600 (US\$250) must be approved in advance by the Chief Compliance Officer or his nominee. Gifts having a value of RMB 1,600 (US\$250) or less but more than RMB 320 (US\$50) must be approved in advance by an Employee's supervisor following notice to the applicable regional financial director.

Any gift which requires approval and is not approved must be refused or returned. If an Employee is unable to refuse or return a gift for any reason (eg, because it would be inappropriate to do so), the Employee must report the gift to the Employee's supervisor, who will advise the Compliance Officer of receipt of the gift. The Compliance Officer will establish rules for dealing with such gifts, including requiring the Employee to donate the gift to an appropriate community organization.

### ***Meal and Entertainment Expenses***

An Employee may permit a third party to pay the expenses associated with meal and entertainment benefits enjoyed by the Employee if:

- (a) the payment is *bona fide* and related to a legitimate business purpose (ie, related to the promotion, demonstration or explanation of products or services or related to performance of contracts);
- (b) no *quid pro quo* is involved (ie, the payment is not being made in exchange for the improper performance or the expectation of the improper performance of the

Employee's or Agent's duties and responsibilities with the Company);

- (c) the expenses are (1) reasonable in amount and (2) payment complies with the Company's rules set out below; and
- (d) the payment is accurately recorded in the Company's registry of gifts and benefits received.

Payment of meal and entertainment expenses of more than RMB 1,600 (US\$250) per person per expense must be approved in advance by the Chief Compliance Officer or his nominee. Payment of meal and entertainment expenses of RMB 1,600 (US\$250) or less but more than RMB 320 (US\$50) must be approved in advance by an Employee's supervisor following notice to the applicable regional financial director.

#### *Travel and Lodging Expense*

An Employee may permit a third party to pay the expenses associated with travel and lodging benefits enjoyed by the Employee if:

- (a) the payment is *bona fide* and related to a legitimate business purpose (ie, related to the promotion, demonstration, or explanation of products or services or related to performance of contracts);
- (b) no *quid pro quo* is involved (ie, the payment is not being made in exchange for the improper performance or the expectation of the improper performance of the Employee's or Agent's duties and responsibilities with the Company);
- (c) the expenses are (1) reasonable in amount and (2) payment complies with the Company's rules set out below;
- (d) the Company selects the persons who will travel;
- (e) the expenses do not include side trips for leisure;
- (f) the arrangements and accommodations are in compliance with the Company's travel and lodging policy; and
- (g) the payment is accurately recorded in the Company's registry of gifts and benefits received.

Payment of travel and lodging expenses must be approved in advance by the Chief Compliance Officer or his nominee.

#### **COMMENTS**

##### ***Prohibition Applies in all Circumstances***

The prohibition in this Policy applies even if:

- (a) the bribe benefits someone other than the person receiving the bribe; and
- (b) the bribe does not work and no business or other advantage is obtained or retained.

## ***Consequences of Violations***

The consequences of violations of anti-bribery and anti-corruption laws, rules and regulations are severe both for the Company and the individuals involved. They can involve both civil and criminal prosecution and significant penalties, including fines and imprisonment.

## ***Agents***

### ***Engaging Agents***

All agreements with prospective Agents must be preceded by appropriate anti-bribery and anti-corruption due diligence and, if any “red flags” are identified during the due diligence or the transaction involves a country specified by the Chief Compliance Officer from time to time, a formal due diligence report and the approval of the Chief Compliance Officer or his nominee.

All agreements with Agents must contain provisions to the effect that:

- (a) the Agents understand applicable anti-bribery and anti-corruption laws, rules and regulations and this Policy;
- (b) the Agents agree to comply with all applicable anti-bribery and anti-corruption laws, rules and regulations and this Policy;
- (c) the Company has the right to audit the Agent's activities to ensure compliance with applicable anti-bribery and anti-corruption laws, rules and regulations and this Policy; and
- (d) the Company has the right to terminate the contract if the Agents do not comply with applicable anti-bribery and anti-corruption laws, rules and regulations and this Policy.

Agent's services may not be subcontracted to a third party without the approval of the Company and compliance with the foregoing.

## ***Joint Ventures***

All joint venture arrangements with prospective joint venture partners must be preceded by appropriate anti-bribery and anti-corruption due diligence and, if any “red flags” are identified during the due diligence or the joint venture involves a country specified by the Chief Compliance Officer from time to time, a formal due diligence report and the approval of the Chief Compliance Officer or his nominee.

All joint venture arrangements between the Company and its joint venture partners must contain provisions to the effect that (a) the partners understand applicable anti-bribery and anti-corruption laws, rules and regulations and this Policy and (b) the partners agree to comply with all applicable anti-bribery and anti-corruption laws, rules and regulations and this Policy as they relate to the joint venture. To the extent feasible, all joint venture arrangements between the Company and its joint venture partners should (a) give the Company the right (1) to audit the joint venture's activities to ensure compliance with applicable anti-bribery and anti-corruption laws, rules and regulations and this Policy and (2) to take appropriate action if the joint venture does not comply with applicable anti-bribery and anti-corruption laws, rules and regulations and

this Policy and (b) require the joint venture to follow procedures similar to those described above in *Engaging Agents* when engaging agents for the joint venture.

### ***Suppliers – Procurement Process***

Third party suppliers of goods or services to the Company, including contractors and subcontractors, (collectively, “**Suppliers**”) may try to gain a business advantage with the Company by offering or attempting to offer bribes to Employees or Agents.

Consequently, all Suppliers must be engaged through a fair, formal process that includes the anti-bribery and anti-corruption requirements set forth in *Engaging Agents*.

All procurement decisions must be based on the best value expected to be received taking into account all relevant factors, including price, quality, performance, competency, compliance and suitability.

Adequate documentation must be maintained to support the basis for all procurement decisions and adherence to internal procurement controls.

The supply of goods or services to the Company by a Supplier may not be subcontracted to a third party without the approval of the Company and compliance with the foregoing.

### ***Reporting Possible Violations***

Employees and Agents who learn of or suspect violations of this Policy must promptly report the matter to the Chief Compliance Officer at [whistle-blower@csisolar.com](mailto:whistle-blower@csisolar.com).

### ***Training***

Corporate Compliance, together with Human Resources, shall carry out periodic (generally annual) assessments of those Employees who, as a result of their positions with the Company should receive training with respect to applicable anti-bribery and anti-corruption laws, rules and regulations and this Policy. The Employees identified in these assessments shall be required to attend initial and annual training sessions with respect to applicable anti-bribery and anti-corruption laws, rules and regulations and this Policy. Corporate Compliance, together with Human Resources, shall maintain attendance and completion records for all identified Employees.

### ***Audits***

The Company may periodically carry out audits of its operations and Agents to ensure that the requirements of this Policy are being met. These audits may be conducted using internal resources or by third parties and may include a review of expenses and expense reports, the adequacy and accuracy of accounting records, the robustness of due diligence and other risk mitigation procedures and the robustness of reporting of possible violations, including unreported items.

Generally, these audits will be carried out as part the annual audit program. However, *ad hoc* special audits may be performed with respect to specific business segments selected on a risk-based approach.

### ***Seek Help***

Compliance with applicable anti-bribery and anti-corruption laws, rules and regulations and this Policy can be complex. Employees should not try to resolve problems on their own.

If a question arises regarding any payment or reporting matter, please contact the Chief Compliance Officer.

### ***Discipline***

An Employee who:

- (a) violates this Policy;
- (b) has direct knowledge of a possible violation of this Policy and fails to report it to Company management; or
- (c) misleads or hinders any investigation of a possible violation of this Policy;

will be subject to disciplinary action, including termination of employment.

An Agent who:

- (a) violates this Policy;
- (b) has direct knowledge of a possible violation of this Policy and fails to report it to Company management; or
- (c) misleads or hinders any investigation of a possible violation of this Policy;

will have its contracts reevaluated or terminated.