



**兴业银行股份有限公司**  
**INDUSTRIAL BANK CO.,LTD.**

**Key Points of the Anti-bribery and  
Anti-corruption System**

The Industrial Bank Co., Ltd. (hereinafter referred to as “IB”) has been insisting on lawful, steady, civilized and compliant operation, sticking to the comprehensive and strict governance of the Bank, and strictly complying with all anti-bribery and anti-corruption laws and regulations in China and the places where it operates, which pushes forward as a whole to promote not daring to corrupt, not being able to corrupt and not wanting to corrupt, and adopts an attitude of “zero-tolerance” towards bribery and corruption.

### **I. Scope of Application**

The anti-bribery and anti-corruption system is applicable to IB and its subsidiaries, as well as all employees.

### **II. General Principles and Requirements**

IB requires every employee to abide by the bottom line of discipline and law, follow the principles of integrity and self-discipline, adhere to the separation of public and private affairs, compliance in business, and clean use of power, and strictly prohibits employees from any of the following behaviors:

1. Conducting the corruption and bribery offenses;
2. Utilizing the power or influence in the position for his own or for another person’s private gain;
3. Indulging or acquiescing in the use of one’s authority or influence in one’s position by a specific relative for private gain.
- 4 Accepting such properties as gifts, gratuities and securities that may affect fair exercise of the power; giving such properties as gifts, gratuities and securities to public officials and their specific relations that may affect fair exercise of the power, or accepting or providing such arrangements as banquets, travels, physical fitness and entertainment that may affect the exercise of public power;
5. Establishing or setting up in a disguised manner the “unit-owned exchequer”;
6. Setting up or paying the remuneration or allowances, subsidies or bonuses in violation of the regulations; exceeding the standards and scope in terms of official receptions, official transportation, conference activities, office rooms and other working and life guarantees in violation of the regulations; and spending public

money in violation of the regulations;

7. Embezzling, misappropriating, or stealing the funds of IB or customers;

8. Soliciting or accepting bribes or accepting kickbacks or fees of various kinds in violation of State regulations; offering bribes or participating in the transfer of benefits or insider trading; or

9. Illegally moonlighting or running a business.

IB promises that, once an employee violates the relevant anti-bribery and anti-corruption system, it will immediately take measures to stop such improper behaviors, conduct investigation and verification, pursue the accountability or transfer to the judiciary in accordance with the law, rules or regulations, and push forward the rectification of the problem to continuously improve the level of internal governance.

### **III. Areas of Focus and Requirements**

#### **1. Personnel appointments and dismissals**

IB has established a withdrawal system in the performance of duties, clarifying the requirements for the withdrawal of relatives and the work, and improving its internal control and integrity. It is strictly prohibited for any IB personnel to utilize the influence of authority or position to seek benefits for close relatives or other specific relations in the personnel work. IB will resolutely investigate and deal with the violations of relevant regulations in such official and personnel work as the selection, appointment, enrollment, employment, assessment, promotion and selection.

#### **2. Procurement**

IB has established and continuously improved the procurement management system and authorization management system, strengthened the internal control of the procurement process, optimized the hard control of the procurement management system, improved the standardization and professionalization of the procurement work, and strictly prevented the integrity risks in the field of procurement. The following behaviors of employees are strictly prohibited:

1. Utilizing the influence of authority or position to illegally intervene in the procurement affairs, seek personal gains or harm the interests of the Bank;

2. Failing to comply with the requirements for withdrawing the performance of

duties and handling the procurement affairs with oneself, his relatives, or other interested parties;

3. Concealing the information about the relationship with suppliers that should be disclosed, or recommending and introducing his relatives or suppliers who have the conflict of interests in themselves to participate in the procurement;

4. Requesting or accepting such properties as kickbacks, commissions, gifts, gifts, consumer cards and securities provided by suppliers, stakeholders or individuals;

5. Accepting such arrangements as banquets, tourism, physical fitness and entertainment, that may affect the fairness of procurement, or participate in commercial activities organized by suppliers, stakeholders, or individuals without prior permission;

6. Borrowing such properties as the money, transportation tools and electronic equipment, from suppliers, stakeholders, or individuals;

7. Providing any reimbursement of expenses that should be paid by oneself, relatives, or other specific stakeholders to suppliers, stakeholders, or individuals;

8. Investing in suppliers' business or holding suppliers' shares, or working part-time in suppliers or interest-related entities, or obtaining compensations for such spouses and relatives as the spouses, children and other specific related parties who do not actually work in suppliers or interest-related entities, or receiving compensations that significantly exceeds the standard of the same job despite the actual work; or

9. Having any abnormal financial transactions with suppliers, stakeholders, or individuals.

### **3. Investment and financing**

IB has established a “three lines of defense” for risk management, consisting of business departments, departments with risk management functions and internal auditing departments, with clear responsibilities and division of labor, and constantly improves the internal control system to strictly prevent integrity risks in the field of investment and financing. Employees shall strictly comply with the following requirements:

1. Credit staff must consciously implement relevant national economic and

financial policies, strictly abide by national financial laws, regulations and rules as well as the IB regulations, be loyal to their duties, dedicated to their work, pragmatic and efficient, integrity and self-disciplined;

2. It is strictly prohibited to violate the law to assist customers who do not meet the financing conditions in forging or falsifying the information to obtain financing from IB, or to handle for personal gains the financing in terms of such conditions, as the financing amount the term, the interest rate and the guarantee conditions, that are obviously superior to those of other customers of the same kind;

3. The loan granting system is strictly enforced, and over-authorization or disguised over-authorization for grant of credit is strictly prohibited, as well as the collusion with customers to mislead the authorized approving authority to make approval decisions;

4. Employees shall strictly enforce the business withdrawal system, who are forbidden to grant the illegal credit loans to related persons.

5. It is strictly prohibited to make use of the authority or the working convenience of engaging in the credit business to obtain undue benefits for oneself, relatives, friends or other relations or to harm the interests of IB.

#### **4. Charitable donations**

IB's charitable donations strictly follow national laws, regulations and policies, comply with relevant management regulations of IB, assist in rural revitalization and high-quality development of education, contribute the love and care, be grateful to society, promote harmonious development, practice the socialist core values, abide by social ethics, continuously improve the decision-making, execution, and supervision mechanisms of charitable donation projects, strictly implement the approval procedures, and standardize operations. The donation information should be open and transparent.

Once a charitable donation project is approved, it must be strictly executed in accordance with the donation plan and donation agreement. No entity or individual is allowed to change the nature and purpose of the donated property without authorization, and it is not allowed to embezzle, privately divide, or misappropriate

the donated funds and materials in any way. In case of misappropriation, embezzlement or embezzlement of donated funds and materials, the responsible person shall be investigated and punished seriously in accordance with the relevant regulations. Those suspected of committing crimes shall be transferred to judicial authorities for handling.

#### **IV. Regulatory mechanisms**

##### **1. Organizational guarantee**

IB has been improving its integrity risk prevention and internal governance system, and continuously strengthening corporate construction of integrity culture so as to ensure the implementation of national laws, regulations, and internal systems related to anti-bribery and anti-corruption. The Board of Directors, Board of Supervisors, and senior management jointly strengthen their governance and supervision of anti-bribery and anti-corruption. Dispatched agencies of local regulatory committees, risk compliance departments, internal auditing departments, and other departments collaborate to timely identify, evaluate, and control potential integrity risks, forming a joint force of preventing integrity risks.

##### **2. Integrity culture education**

IB continues to carry out the cultural construction of “Clean IB”, guiding employees to abide by the bottom line of discipline and law through various methods such as organizing them to visit the integrity education base, watch the warning educational film, observe the court trial of job-related crimes, and write calligraphy on integrity topic, so as to push them to form the ideological self-awareness and action self-awareness of not wanting to engage in the corruption.

##### **3. Employees’ behavior management**

IB has formulated a systematic management system for employees’ behaviors, building a management community and a responsibility community for employees’ behaviors. It organizes and carries out employees’ abnormal behavior screening and case risk self-assessment, which includes suspected corruption and bribery, etc. Moreover, IB promptly identifies problems, rectifies them one by one, and reports them to the Company’s decision-making level in accordance with the regulations. In

addition, IB strengthens the assessment of key areas such as case prevention and control and employee management, accountability for violations, and improves the compliance and internal control assessment system covering each organization to guide the organizations to operate in a sound and standardized manner.

#### **4. Reports and accusation**

IB has established a smooth system of complaint letters, visits and reports, the reporter of complaint letters and visits can report the Bank's employees suspected of violating the discipline or duties and conducting job-related crimes through such means as letters, visits or telephone calls. IB's personnel responsible for complaint letters, visits and reports shall strict abide by the national laws and regulations and the Bank's internal system when handling the matters impartiality, and implement the confidentiality system for the reports and accusations so as to effectively protect the legitimate rights and interests of the whistle-blower.