

Key Points of Anti-Bribery and Anti-Corruption Policy of Postal Savings Bank of China

I. Scope

The Anti-Corruption and Anti-Bribery Policy applies to Postal Savings Bank of China and all subsidiaries, as well as all employees.

II. Overall Principles and Requirements

The Bank actively promotes a transparent credit culture characterized by “openness and transparency, honesty and trustworthiness, ethical profit-making, legal compliance, integrity and self-discipline, effective supervision, and strict enforcement”, standardizing the operation of financing activities. The Bank accepts both internal and external oversight, combats the infiltration of illicit loan intermediaries and the fraudulent obtainment of financing in accordance with the law, and rigorously rectifies illegal, disciplinary, and non-compliant activities, effectively safeguarding the legitimate rights and interests of financial consumers and the Bank, and continuously enhances the integrity, professionalism, and effectiveness of the credit business workforce.

The Bank practices a transparent credit culture, and all employees shall strictly adhere to the following behavioral prohibitions:

- i. Bribery is prohibited. Employees shall not request or accept gifts, cash, commissions, rebates, or other benefits from customers in any form, nor accept invitations to banquets, trips, or other entertainment activities.
- ii. Abuse of power for personal gain is prohibited. Employees shall not use customers to benefit themselves or their families and friends.
- iii. Falsifying loans is prohibited. Employees shall not forge, intentionally accept false materials, or process false mortgages to obtain bank credit for themselves or others.
- iv. Impersonation is prohibited. Employees shall not misappropriate customer loans or issue the loans to others.
- v. Packaging intermediaries are prohibited. Employees shall not cooperate with unapproved financing intermediaries or individuals.
- vi. Cross-position operations are prohibited. Employees shall not use conflicting job numbers to process business.
- vii. Acting on behalf of customers is prohibited. Employees shall not sign on behalf of customers, keep customers' passwords or Ukey for online banking, nor handle loan procedures for customers in violation of regulations.
- viii. Gambling and organized crime involvement are prohibited. Employees shall not participate in gambling, organized crime, or illegal fundraising.
- ix. Abuse of authority is prohibited. Employees shall not intervene in credit investigation, review, and approval, nor direct, coerce, or force others to improperly process credit business.
- x. Hindering inspections is prohibited. Employees shall not falsify personal credit reports, collude with customers to resist inspections, falsify post-lending inspection facts or inspection and supervision materials, or hide and destroy post-lending

management files.

xi. Acting as a financial intermediary is prohibited. Employees shall not directly or indirectly operate pawnshops, small loan companies, or guarantee institutions, nor participate in private lending, use personal accounts to transfer customer funds, or use customer accounts to transfer personal funds.

xii. Illegal approval is prohibited. Employees shall not forge or alter review and approval opinions or approve loans knowing that the application materials are false or the credit conditions do not comply with regulations.

xiii. Pre-signing agreements are prohibited. Employees shall not stamp blank documents with the Bank's seal, process credit business against procedures, or make any form of commitments without loan approval.

xiv. Information leakage is prohibited. Employees shall not alter, illegally store, use, leak, sell, or intentionally destroy credit customer information, nor use customer information to obtain improper benefits for themselves or others.

III. Areas of Concern and Requirements

i. Recusal from duty

The Bank has formulated a sound duty recusal policy, which standardizes requirements for recusal in recruitment, appointment, and business operations to ensure the effectiveness of internal control mechanisms and the impartial duty performance by employees. Employees shall truthfully report the information on their relatives during the recruitment or when a new recusal relationship arises. In organizational and personnel matters such as job transfers, promotions, and the appointment or removal of cadres, appropriate job arrangements shall be made for the personnel involved to avoid the formation of recusal relationships. The Bank shall exercise strict control over the recruitment of relatives of management personnel to prevent the risk of favoritism and nepotism.

ii. Procurement

All employees of the Bank involved in procurement shall strictly implement the Bank's unified procurement management policies. Bribery is prohibited. Employees shall not request or accept gifts, cash, kickbacks, commissions, or other benefits from suppliers in any form, nor shall they accept invitations to banquets, trips, or other entertainment activities. Meanwhile, all employees shall strictly adhere to the following prohibitions:

1. Employees shall not take on procurement projects or contracting projects for their relatives, suppliers, or other stakeholders to seek improper benefits.
2. Employees shall not intervene in normal procurement processes, such as splitting projects to circumvent bidding requirements for the benefit of family members or other interested parties.
3. Employees shall not contact potential suppliers in private or disclose commercial secrets or sensitive information related to bidding and tendering so as to seek improper benefits.
4. Employees shall not conduct bid-rigging and collusion or engage in transactions with blacklisted entities for personal gain.

iii. Credit business

The Bank has established “three lines of defense” for risk management composed of business departments, risk management departments, and internal audit departments, where these departments perform their respective responsibilities and coordinate with each other. The internal control system has been continuously improved to prevent integrity risks in the credit business. Employees shall strictly adhere to the following requirements:

1. Credit staff shall consciously implement national economic and financial policies, strictly comply with national financial laws and regulations, and follow the Bank’s rules and regulations.
2. It is strictly prohibited to use false information or condone, participate in, or support customers in using false information to defraud or misappropriate the Bank’s funds.
3. The Bank’s credit policies shall be strictly implemented.
4. The loan approval policy shall be strictly adhered to. It is prohibited to approve loans beyond authorized limits or to inappropriately approve loans in collusion with customers to mislead the competent approval body.
5. It is strictly prohibited to approve guaranteed loans to related parties that offer more favorable terms than similar loans to other customers.
6. It is strictly prohibited to borrow or misappropriate customer loans.
7. It is strictly prohibited to tacitly approve, participate in, or support the illegal use of customer credit funds in the stock market, real estate market, or other areas prohibited or restricted by the state or the Bank, or to divert such funds for other uses.
8. It is strictly prohibited to engage in fraud to obtain credit from the Bank for themselves or others, or to apply for loans under a false name.
9. It is strictly prohibited to intentionally bypass the requirements for unified credit management, excessive credit approval, or credit extension beyond authorized periods.
10. It is strictly prohibited to transfer credit customer funds through personal accounts or to use customer accounts to transfer personal funds; to knowingly process relevant guarantee procedures despite being aware that the guarantor or collateral is false, resulting in the Bank’s guarantee becoming void; to collude maliciously with customers, knowing that there is no genuine trade background or opening letters of credit, letters of guarantee, issuing or defrauding financing through forged or altered documents.
11. It is strictly prohibited to engage in credit intermediary cooperation through unauthorized institutions or individuals, or to have improper financial dealings with customers, intermediaries, and other interested parties.
12. It is strictly prohibited to pre-sign agreements, stamp blank documents with the Bank’s seal, process credit business against systems or procedures, or make any form of commitments without loan approval.
13. It is strictly prohibited to approve credit business beyond the authorized scope, forge or alter review and approval opinions, or approve loans when knowing that the submitted materials are false or the credit conditions are seriously non-compliant.
14. It is strictly prohibited to abuse authority, interfere with credit investigation,

review, and approval, or inspire, direct, incite, coerce, or force others to improperly process credit business.

15. It is strictly prohibited to approve, cooperate with, condone, or neglect the use of funds when knowing that the purpose of financing is illegal or has not been approved.

16. It is strictly prohibited to alter, illegally store, use, leak, sell, or intentionally destroy credit customer information.

17. It is strictly prohibited to falsify post-lending inspection facts, forge post-lending inspection materials or supervision documents, hide or destroy post-lending management records, or assist borrowers in concealing risks or gaining improper benefits.

IV. Management Mechanisms

i. Organizational support

The Bank continues to improve the policies for the prevention of integrity risks and internal, so as to ensure the implementation of national laws and regulations and the Bank's internal policies related to anti-bribery and anti-corruption. The Board of Directors, the Board of Supervisors, and the Senior Management jointly strengthen the governance and supervision of anti-bribery and anti-corruption. Departments such as risk management, internal control and compliance, and internal audit form synergy to promptly identify, assess, and control potential integrity risks to jointly prevent such risks.

ii. Integrity culture education

The Bank continues to attach great importance to the development of an integrity culture, strengthen employees' self-discipline awareness, improve mechanisms for handling violations of regulations and discipline, and urge employees to comply with laws, regulations, and rules.

iii. Employee behavior management

The Bank has established an employee behavior management system and formulated a code of conduct and detailed rules to promote duty performance throughout the Bank and to improve its internal control and compliance management. The Bank organizes and conducts inspections of employee abnormal behavior, strengthens behavior inspection and risk identification, promptly corrects and controls abnormal behavior, and prevents potential risks of misconduct to ensure safe and sound operations.

iv. Whistleblowing

The Bank has established a well-functioning whistleblowing system that allows whistleblowers to report suspected violations of regulations, disciplines, or laws by the Bank's employees through public channels such as complaint hotlines, emails, and letters. Employees are encouraged to actively resist, report, and intercept violations of laws and regulations. Relevant staff of the Bank shall handle such matters impartially in strict accordance with national laws and regulations and the Bank's internal systems. A sound protection system for whistleblowers has been in place. It is strictly prohibited to expand access to relevant information without authorization and disclose whistleblowers' information to the subject of the report. The legitimate rights and interests of whistleblowers shall be effectively protected.