

Audit and Inspection of Professional Ethics Guidelines

I. System Construction

The Bank regularly conducts investigations into abnormal behaviors covering all employees. It has independently developed an integrated internal control and compliance platform, developed off-site monitoring models, and conducted risk investigations into key areas such as credit and wealth management, as well as key personnel such as customer managers and wealth managers. It promptly identifies, warns, and handles employees' violations such as favoritism, fraud, corruption, and loss of integrity, thereby preventing case risks.

The Bank has established a grid-based supervision and management structure for employee conduct, with over 3,900 grids established at the head office, branches, and sub-branches across the bank, continuously strengthening the employee supervision and care system. By implementing the "Three Investigations and Four Visits" working mechanism, which includes "investigating business registrations, judicial records, and credit reports" as well as "visiting customers, families, employees, and handling complaint letters and visits", the Bank continuously strengthens supervision over employees' violations such as engaging in business enterprises, involvement in

criminal or litigation cases, and improper financial transactions with customers. It adheres to the principle of addressing abnormal behaviors at an early stage and nipping them in the bud, maintaining a high-pressure situation in conduct management. Meanwhile, in terms of employees' ideological dynamics, performance, and work status, the Bank demonstrates care and concern for employees through conversations and daily coaching, helping and promoting their growth.

II. Work Progress

In 2024, the Bank conducted a special audit on case risk prevention and control, examining the establishment of its case risk prevention and control management system and the implementation of relevant management measures. This audit covered relevant systems applicable across the entire bank (with subsidiaries referring to them as applicable), such as the *China CITIC Bank Measures for the Prevention and Control of Criminal Case Risks (Version 1.0, 2024)*. The main audit contents included case risk investigation and disposal, the management of employees' conduct, case prevention assessments, training and education, rectification and accountability, etc. The audit focused on the case prevention and control management in key positions and important business areas, comprehensively promoting the first and second lines of defense to improve the case prevention and control management system, strengthening the supervision and

inspection of abnormal behaviors among all bank employees, and continuously standardizing and enhancing the bank's capability in preventing and controlling case risks.

In addition, the Bank's external auditors regularly conduct audits on the effectiveness of internal controls over financial reporting. They pay close attention to the *Measures for the Management of Employees' Conduct* and other professional ethics-related policies, systems, and their implementation. By reviewing rules and regulations, conducting assessment interviews, and executing control testing procedures, they facilitate the bank in effectively strengthening the supervision and management of employees' conduct and professional ethics.