

# **King's Town Bank Co., Ltd. Anti-Corruption and Anti-Bribery Policy**

## **I. Purpose**

When conducting business transactions with others, King's Town Bank (hereinafter referred to as the Bank) strictly adheres to high standards of integrity and maintains a zero-tolerance policy towards corruption and bribery. To promote Ethical Corporate Management and proactively prevent dishonest behavior, this policy has been established to provide clear guidelines for combating corruption and bribery.

## **II. Range of application**

This policy applies to all directors (including independent directors), supervisors, managers, employees, and appointees (referred to as "Bank personnel") of the Bank and its subsidiaries/sub-subsidiaries.

## **III. Regulatory Compliance**

The Bank acknowledges and complies with all international conventions, laws, and regulations against bribery and corruption. This includes the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, and other applicable laws and regulations that govern the business conduct of listed and over-the-counter companies.

## **IV. Prohibited Behavior**

- (I) **Prohibition of Bribery:** Bank personnel are strictly prohibited from directly or indirectly offering, promising, soliciting, or accepting any form of improper benefits from customers, agents, contractors, suppliers, public officials, or other stakeholders during the course of business.
- (II) **Prohibition on providing illegal political contributions:** The Bank prohibits the provision of direct or indirect donations to political parties, organizations, or individuals engaged in political activities. Such donations must adhere to the Political Donations Act and the Bank's internal procedures and should not be utilized to gain commercial benefits or transaction advantages.
- (III) **Prohibition of Improper Charitable Donations or Sponsorships:** The Bank is committed to adhering to applicable laws and internal operating procedures

concerning charitable donations or sponsorships. It strictly prohibits engaging in disguised bribery.

- (IV) Prohibition of Improper Gifts, Hospitality, Donations, or Other Improper Benefits: Bank personnel are prohibited from directly or indirectly providing or accepting any improper gifts, hospitality, or donations in order to establish business relationships or influence commercial transactions.
- (V) Prohibition of facilitation fees: Bank personnel are prohibited from providing or promising any facilitation fees.

## V. Definition

### (I) Bribery

Refers to improper payment in a business context, such as providing or offering improper benefits, whether directly or indirectly, to government officials, individuals, or entities, with the aim of achieving the following objectives:

1. Influencing or preventing the exercise of public authority or any other action, such as signing contracts, imposing taxes or fines, or canceling existing contracts or contractual obligations;
2. Obtaining authorization, permission or other authorization from a government entity or government official that were previously unattainable by our organization;
3. Obtaining confidential information regarding business opportunities, bids, or competitor activities;
4. Impacting the acquisition or termination of a contractual relationship;
5. Promising to provide any other improper advantage.

### (II) Facilitation fees

The term refers to the funds paid to public officials with the aim of expediting or ensuring the administrative process.

### (III) Improper benefits

Any valuable item, including but not limited to money, gifts, presents, commissions, positions, services, privileges, kickbacks, facilitation fees, entertainment, socializing, reciprocal relationships, work, internships, educational opportunities, advantages, and other valuable items.

### (IV) Conflict of interest scenarios

A situation where personal interests intervene or may intervene in the overall

interests of the company, resulting in the following scenarios:

1. Bank personnel is unable to handle matters in an objective and efficient manner.
2. Based on the positions held by Bank personnel in the Bank, they have obtained improper benefits for themselves or for parties with whom they have a vested interest.

#### VI. Prevention of conflict of interest and insider trading

Bank personnel must not use their position or influence to benefit themselves, their spouse, parents, children, or any other individual. This includes refraining from engaging in insider trading.

The Bank shall uphold the principle of fairness in handling transactions with stakeholders and avoid conflict of interest.

When the Bank handles transactions with stakeholders, those who have an interest in the transaction should take the initiative to explain whether there is any potential conflict of interest between them and the Bank, and after explaining the important contents of their interest in the relevant case, they should avoid participating in the discussion and voting.

#### VII. Via business relationship

Before entering into business relationships with other parties, the Bank should conduct a thorough assessment of the legality, ethical corporate management policies, and any history of dishonest behavior of agents, suppliers, customers, and other business counterparts. This is to ensure that their business operations are conducted in a fair, transparent, and bribery-free manner, without engaging in solicitation, provision, or acceptance of bribes.

#### VIII. Whistleblower mechanism

Any individual who becomes aware of any violation of this policy or any other instances of corruption and bribery by the Bank should report it to the Bank in accordance with the Bank's "Implementation Measures for Whistleblowing System."

#### IX. Education training

The Bank should regularly conduct education and training to ensure that Bank personnel have a thorough understanding of the Bank's determination and

requirements on anti-corruption and anti-bribery. They should also be aware of the potential consequences and risks associated with violating relevant regulations.

- X. The Bank is dedicated to consistently and efficiently controlling and preventing corruption and bribery in all areas of its operations, mitigating potential risks and impacts, and ensuring the execution of Ethical Corporate Management.
- XI. This policy is implemented upon review by the Sustainable Development Committee and after approval by the Board of Directors, and the same applies to its amendments.

Established at the 26th meeting of the 16th Board of Directors on June 11, 2024