

# **Anti-corruption and Anti-commercial Bribery Management System**

## **1. Purpose**

This system is specially formulated in order to prevent corruption in the process of company operation and management, effectively work on anti-commercial bribery and corruption, strengthen the internal control mechanism of enterprise, strengthen institutional supervision and institutional anti-corruption, strengthen the supervision and management of personnel in key departments and posts, ensure a long-term mechanism for controlling commercial bribery, and prevent the occurrence of various improper acts.

## **2. Scope**

These regulations apply to all business management activities or external contact activities of Satellite Chemical Co., Ltd. (hereinafter referred to as "the Company") and its branches/subsidiaries, centers, bases and divisions (hereinafter collectively referred to as "each unit"), and this system shall be strictly observed. These activities include, but are not limited to, economic activities such as contact with government departments, product sales, procurement and acceptance of raw and auxiliary materials, engineering construction, equipment procurement and maintenance. All employees of the Company and its subordinate units (including full-time employees and

part-time employees), and all customers, suppliers, service providers and contractors who have business with the Company are within the scope of these regulations.

### **3. Definition**

#### a) Corruption, commercial bribery

Corruption and commercial bribery under this system refer to the use of illegal means such as deception by personnel inside and outside the company to seek personal improper interests and harm the legitimate economic interests of the company; or acts that seek improper financial benefits of the company and may bring improper benefits to individuals.

Including but not limited to:

- i. Taking advantage of power to ask for bribes;
- ii. Accepting bribes, kickbacks, and banquets, gifts and services that may affect the interests of the company;
- iii. Providing an interest to any person or company with whom the Company does business with in order to influence that person or his or her company in the course of the business dealings;
- iv. Disclosing the company's business or technical secrets.

### **4. Responsibilities**

#### a) Audit Committee - Risk Management Committee

The Risk Management Committee is a subsidiary body of the Audit Committee, which is responsible for reviewing the control strategy, risk assessment report, regulatory evaluation report, etc. of various risks, including commercial bribery and corruption.

b) Working Group on the System for the Punishment and Prevention of Corruption

The working group on the system for the punishment and prevention of corruption reports to the risk management committee, and is the supervision and management implementation organization of the company's anti-commercial bribery and anti-corruption. Its main responsibilities include: construct the company's integrity management, establish and improve the integrity and punishment system, and organize its implementation; guide, supervise, inspect and evaluate the punishment system of each subordinate unit of the company; supervise and inspect violations of laws and disciplines within the group, and organize trainings of the group's honest performance of duties; receive reports of violations of law and discipline; report to the Risk Management Committee on a regular basis.

c) Company management

It is responsible for the company's integrity punishment and prevention work. Major duties include: training of the company's honest performance of duties, and the implementation of integrity and

corruption punishment and prevention.

d) Audit and Inspection Department

As a permanent institution of the company's commercial bribery and anti-corruption work, the Audit and Supervision Department assists the company's audit committee, risk management committee and working group on punishment and prevention of corruption system in implementing anti-corruption and anti-bribery work, and its main responsibilities include but are not limited to:

- i. Carry out corporate governance, commercial bribery and anti-corruption work in accordance with relevant national laws and regulations and company rules and regulations; Accept reports on commercial bribery and corruption; Organize the investigation of fraud cases, issue an investigation report, and report the results to the competent department; Commercial bribery and corruption prevention awareness campaigns, etc.
- ii. Strengthen the supervision and management of the integrity of personnel in important posts and links. Prevent and manage from the source, improve system construction, and objectively evaluate the integrity of personnel in important positions and links.
- iii. For personnel in important positions and important links, implement and sign the "Letter of Due Diligence and Integrity" (see Annex 1), and supervise and inspect the implementation of the commitment.

## **5. Measures Against Corruption and Commercial Bribery**

a) Sign the Pledge of Integrity

For key positions and key links, personnel are required to sign the Pledge of Integrity every year.

b) Sign the "Partner Integrity and Self-Discipline Notification Letter"

Customers, suppliers, service providers and contractors with whom the Company does business are required to comply with this system in contracts signed with the Company or submitted tenders (see Annex 2 for the format).

c) Carry out training on anti-corruption

In order to build a strong line of defense against integrity among all employees of the company, the Company regularly conducts integrity training for all personnel including the board of directors, key departments, suppliers and contractors, and part-time employees, and launches integrity education courses on the satellite business school platform to ensure that each employee receives integrity training at least twice a year. The working group on corruption punishment and prevention system focuses on organizing and carrying out integrity education and training for senior cadres and directors of the company, as well as key departments such as procurement center, sales and marketing center, and engineering project management department,

and makes full use of integrity conferences, forums, posting integrity warning pictures, visiting integrity warning education bases and other forms to enhance employees' awareness of integrity and prevent the occurrence of corruption. Each center of the company and its subordinate units are responsible for the integrity training of their own personnel, and can use the morning meeting, work summary meeting, company training day and other time to carry out training in various forms to ensure that each employee receives relevant training no less than twice a year.

- d) The Working Group on Corruption Punishment and Prevention System conducts regular investigations

The working group on corruption punishment and prevention system should regularly carry out investigations and studies, recognize the characteristics and patterns of corrupt behavior and commercial bribery, study and propose specific countermeasures and measures in training, policy, supervision and other effective prevention, and promptly solve emerging and potential problems.

- e) All departments assist the Working Group on Corruption Punishment and Prevention System to actively carry out work on the prevention of corruption and commercial bribery

Violations of discipline and regulations discovered in the work on prevention of corruption and commercial bribery shall be promptly

stopped, rectified and reported to the relevant departments. Suspected crimes shall be transferred to the judicial authorities for handling. Cases involving fraud and irregularities should be reported promptly to the Working Group on Corruption Punishment and Prevention.

f) Management of important positions

All departments and units of the Company shall strengthen the management of personnel in important positions, and take their implementation of the Pledge of Integrity as an important content of investigation and assessment, as well as an important basis for appointment and dismissal.

## **6. Reporting and Acceptance**

Refer to the company's "Measures for the Management of Whistleblowing and Complaints" for implementation.

## **7. Whistleblowing Processing**

For corruption and commercial bribery that has been verified to be true, according to the seriousness of the circumstances, in accordance with the company's "Measures for the Administration of Employee Rewards and Punishments", "Measures for the Management of Costs of Mistakes", "Measures for the Management of Honesty and Self-Discipline, Punishment and Prevention of Corruption", and "Notice on the Establishment of the "Five Red Lines" Management Principles and other provisions shall be punished. If the circumstances are serious, the labor contract shall be terminated, and the

loss caused to the company shall be recovered according to law. Where it is suspected of constituting a crime, it shall be transferred to the judicial authorities for handling.

If the parties and its employees that do business with the Company violate the commitments of this system, their qualifications as suppliers, service providers, agents, distributors and bidders will be revoked, and those who are suspected of constituting a crime shall be transferred to the judicial authorities for investigation.



Annex 1:

### **Pledge of Integrity**

To maintain sustainable growth of the company, establish and maintain the company's healthy, clean and efficient corporate image, as an employee of the company, I voluntarily pledge:

1. I will fully recognize the company's culture, adhere to the company's interests first, and fulfill my responsibilities.
2. I will strictly abide by the company's "Three Gift Management Measures for Integrity", "Employee Integrity and Self-discipline Code", "Mission and Responsibility of Satellite Chemical Cadres", "Code of Conduct for Management Cadres", "Code of Work Style for Management Cadres" and other rules and regulations.
3. I will never use my power for personal gain and will not do anything that damages the interests and image of the company.
4. I will never accept bribes from third parties, banquets, "three gifts" and services that may affect the interests of the Company, or rebates of any kind.
5. I will never take advantage of my position to ask for bribes or instruct business partners to reimburse various expenses that should be borne by myself.
6. I will never directly or indirectly exceed the authority and conduct illegal

operations to harm the interests of the Company; never use my position to interfere in commercial procurement, construction bidding and other company business activities.

7. I will never be fraudulent, but instead adhere to the work style of seeking truth from facts, and will never lie about performance to seek undeserved rewards.
8. I will never disclose inside or confidential information to third parties.

I confirm that I am fully aware of and will strictly implement the above integrity commitment. If I violate the above commitment, it is a serious violation of the rules and regulations, I voluntarily and unconditionally accept fines, demotion, removal, dismissal and other sanctions, and will compensate the company for the losses suffered.

Promiser (signature):

ID#:

Date:

Annex 2:

### **Integrity and Self-discipline Notification Letter of Partners**

Dear Partners,

First, we would like to thank you for choosing to cooperate with our company in good faith and grow with us together. It is because of your cooperation, support and help that our company has been able to develop rapidly, continue to grow, and increase our project management capability. We would like to express our sincere gratitude to you.

Our company has always adhered to the business philosophy of "operate with integrity and seek win-win cooperation". We always heed to the common development with each partner. Integrity is the foundation of long-term cooperation between the two parties. Satellite Group has very strict requirements for integrity. All employees, regardless of their position, shall not accept commissions, kickbacks, gifts, cash gifts, gift certificates, banquets and other improper benefits provided by disguised means from customers, suppliers, construction companies or companies that have business relationships with the Company in their private names. Your company shall not provide our business managers or their relatives with property, including but not limited to cash, bank

cards, stocks and cards, physical goods, online digital assets, free travel and other forms of disguised gifts. Once discovered, our company has the right to immediately terminate the cooperation with your company, collect liquidated damages according to the integrity clause of the contract signed by both parties, and have the right to require your company to bear corresponding compensation. If it violates the law, it will also be transferred to the judicial authority for investigation. To file feedback or report, please contact:

Tel: 0573-82058220 18667358580

E-mail: [Compliance@weixing.com.cn](mailto:Compliance@weixing.com.cn)

Satellite Chemical Co., Ltd.

Date:

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### **Receipt**

Our company, \_\_\_\_\_, Confirms that we agree and accept the full content of the above integrity and self-discipline notification letter and will strictly implement the terms going forward.

Name of Company (seal):

Authorized Representative (signature):

Date: