

# SinoPac Financial Holdings Company Limited

## Guidelines for Corporate Social Responsibility

- Chapter 1      General Principles
- Article 1      For the purpose of fulfilling corporate social responsibility initiatives and achieving the objective of sustainable development, the Company, with reference to the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" jointly stipulated by the Taiwan Stock Exchange Corporation and the Taipei Exchange, adopts these Guidelines as its corporate social responsibility policy, based on which it may manage the economic, environmental and social risks and impact arising from the business activities of the Company and its subsidiaries.
- Article 2      The term "Subsidiaries" as used in these Guidelines refers to companies in which more than 50 percent of the shares are directly or indirectly held by the Company or those over which the Company holds substantive control.  
    The term "Interested Parties" as used in these Guidelines refers to internal and external individuals or groups that generate influence on the Company and its subsidiaries or are subject to influence of the Company and its subsidiaries, including shareholders, investors, clients, employees, government and competent authorities, media, social communities, non-profit or non-governmental organizations, and suppliers.
- Article 3      The Company and its subsidiaries shall, while pursuing sustainable operations and profits, also give due consideration to the rights and interests of interested parties and, through the four aspects as below, fulfill their corporate social responsibility and pursue sustainable operations.
1.   Exercise corporate governance.
  2.   Foster a sustainable environment.
  3.   Preserve public welfare.
  4.   Enhance disclosure of corporate social responsibility information.
- Article 4      The Company shall take into consideration the correlation between the development of domestic and international corporate social responsibility principles and corporate core business operations, and the effect of the operation of the Company solely and of its respective business groups as a whole on interested parties, in establishing its policies, systems or relevant management plans for corporate social responsibility programs, which shall be reported to and approved by the Board of Directors and then reported to the shareholders' meeting.
- Chapter 2      Exercise Corporate Governance
- Article 5      The Company shall follow the "SinoPac Financial Holdings

Company Limited Guidelines for Corporate Social Responsibility," "SinoPac Financial Holdings Company Limited Guidelines for Ethical Corporate Management," and "SinoPac Financial Holdings Company Limited Guidelines for Codes of Ethical Conduct" to establish effective corporate governance frameworks and relevant ethical standards so as to create sound corporate governance.

Article 6 The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its corporate social responsibility initiatives, examine the results of the implementation thereof and continually make improvements so as to ensure the thorough implementation of its corporate social responsibility policies.

The Board of Directors of the Company is advised to give full consideration to the interests of interested parties, including the following matters, in the Company's performance of its corporate social responsibility initiatives:

1. Identifying the Company's corporate social responsibility mission or vision, and declaring its corporate social responsibility policy, systems or relevant management guidelines.
2. Making corporate social responsibility the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for corporate social responsibility initiatives.
3. Enhancing the timeliness and accuracy of the disclosure of corporate social responsibility information.

The Board of Directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the Board of Directors.

Article 7 The Company is advised to, on a regular basis, organize education and training on the implementation of corporate social responsibility initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 8 For the purpose of managing corporate social responsibility initiatives, the Company is advised to establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.

Article 9 The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.

Article 10 The Company shall, based on respect for the rights and interests of

interested parties, identify interested parties of the Company, and establish a designated section for interested parties on the Company's website; the Company shall understand the reasonable expectations and demands of interested parties through proper communication with them, and adequately respond to the important corporate social responsibility issues which they are concerned about.

#### Chapter 3 Fostering a Sustainable Environment

Article 11 The Company and its subsidiaries shall follow relevant environmental laws and regulations to properly protect the natural environment, and establish an adequate environmental management system and endeavor to enhance the efficiency of utilization of all types of resources and reduce the impacts of business operations on the natural environment.

Article 12 The Company and its subsidiaries are advised to make an inventory check of the corporate greenhouse gas and make disclosures thereof, and to draw up strategies for energy conservation and carbon and greenhouse gas reduction based upon their operations and the result of the greenhouse gas inventory check.

Article 13 The Company and its subsidiaries are advised to establish a dedicated unit or assign dedicated personnel in charge of environment management for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and shall hold environment education courses on a periodic basis.

#### Chapter 4 Preserve Public Welfare

Article 14 The Company and its subsidiaries shall comply with the local human rights of labor, including the gender equality, the right to work, prohibition of discrimination, freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, sexual orientation, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The Company and its subsidiaries shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. The Company and its subsidiaries shall respond to any employee's grievance in an appropriate manner.

- Article 15 The Company shall provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.
- Article 16 The Company is advised to provide safe and healthful work environments for their employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.  
The Company is advised to organize training on safety and health for their employees on a regular basis.
- Article 17 The Company is advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.  
The Company shall appropriately reflect the corporate business performance or achievements in the employee remuneration policy, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.
- Article 18 The Company and its subsidiaries shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the Company's operations, management and decisions.  
The Company and its subsidiaries shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary equipment, in order to improve the negotiation and cooperation among the Company, employees and employee representatives.  
The Company and its subsidiaries shall, by reasonable means, inform employees of operation changes that might have material impacts.
- Article 19 The Company and its subsidiaries shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards, and are advised to treat their clients in a fair and reasonable manner.  
The Company and its subsidiaries shall not deceive, mislead, commit fraud or engage in any other acts which would betray clients' trust or damage clients' rights or interests when marketing or labeling their products and services.
- Article 20 The Company and its subsidiaries are advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on clients and society.  
The Company and its subsidiaries are advised to provide a clear and effective procedure for accepting client complaints to fairly and timely handle client complaints, and shall comply with laws and regulations related to the Personal Information Protection Act for

respecting clients' rights of privacy and shall protect personal data provided by clients.

- Article 21 The Company and its subsidiaries are advised not to conduct transactions with parties that have had records of engaging in acts in violation of the Company's corporate social responsibility policies. When the Company and its subsidiaries enter into a contract with any of other parties, it is advisable to include the terms of corporate social responsibility into the contract.
- Article 22 The Company and its subsidiaries are advised to participate in the development of communities via commercial activities, donations, corporate volunteering services or other professional public welfare services, and to adequately hire the local labor force in the place of operations of the Company.
- Chapter 5 Enhance Disclosure of Corporate Social Responsibility Information.
- Article 23 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for Financial Holding Companies and shall fully disclose relevant and reliable information relating to its corporate social responsibility initiatives to improve information transparency.
- Article 24 The Company shall, when formulating corporate social responsibility reports, disclose the status of its implementation of the corporate social responsibility initiatives. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports.
- Chapter 6 Supplementary Provisions
- Article 25 The Company shall monitor the development of domestic and foreign corporate social responsibility standards and the change of business environment so as to examine and improve its established corporate social responsibility framework.
- Article 26 These Guidelines, and any amendments thereto, shall enter into force through announcement after they have been adopted by the Board of Directors.