

## Fulfillment of Operations of Ethical Corporate Management and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies and Reasons

Item	Operating Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies" and Reasons
	Yes	No	Summary Explanation	
<p>1. Establishing Ethical Corporate Management Policies and Programs</p> <p>(1) Has the company established the ethical corporate management policies approved by the Board of Directors and specified in its rules and external documents the ethical corporate management policies and practices and the commitment of the board of directors and senior management to rigorous and thorough implementation of such policies?</p> <p>(2) Has the company established a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in</p>	V		<p>(1) SinoPac Holdings has established the "Guidelines for Ethical Corporate Management" and "Procedures for Ethical Management and Guidelines for Conduct" for ethical corporate management strategy, which have been implemented upon approval of the Board of Directors through resolutions. The aforesaid regulations have specified the ethical corporate management policies and practices of SinoPac Holdings and its subsidiaries and stipulated that the directors, supervisors, managers, employees, appointees, and persons having substantial control of SinoPac Holdings and its subsidiaries shall not engage in unethical conduct and shall commit themselves to the rigorous and thorough implementation of the ethical corporate management policies both in internal management and external business activities. The aforesaid regulations have been disclosed on the official website of SinoPac Holdings.</p> <p>(2) a. The "Procedures for Ethical Management and Guidelines for Conduct" specify the prevention programs and measures against accepting improper benefits, political contributions, donations or sponsorship, infringement on intellectual property rights, conflict of interests, disclosure of confidential information, and insider trading.</p>	No significant Divergence

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<p>unethical conduct, and establish prevention programs accordingly, which shall at least include the preventive measures specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies"?</p>			<p>b. SinoPac Holdings has incorporated regulations related to the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" into its compliance self-assessments, including provision against unethical conduct; pattern of benefits; legal compliance; scope of prevention programs; provisions against offering and acceptance of bribes, illegal political contributions, improper charitable donations or sponsorship, unreasonable presents, hospitality or other improper benefits, infringement on intellectual property rights, and engagement in unfair competition; prevention of damage to stakeholders caused by products or services; and adoption of a whistle-blowing system. In the compliance self-assessment held every six months, SinoPac Holdings analyzes and assesses on a regular basis the pattern of business activities within its business scope which are at higher risk of being involved in unethical conduct, and revises the "Procedures for Ethical Management and Guidelines for Conduct" and related regulations when necessary, in hopes of preventing unethical conduct when engaging in commercial activities or conducting business.</p> <p>c. SinoPac Holdings and its subsidiaries requests that all directors, supervisors and employees (including senior management, new employees, and temp workers) sign the statement of ethical corporate management policy every year</p>	<p>No significant divergence</p>

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(3) Has the company specified in its prevention programs the operating procedures, guidelines, punishments for violations, and a grievance system and implemented them and review the prevention programs on a regular basis?	V		<p>to take preventive measures against unethical conduct in accordance with Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies."</p> <p>(3) The Company has established the "Procedures for Ethical Management and Guidelines for Conduct", the "Employee Code of Conducts" and other norms, which specifically regulate the practices of ethical corporate management, dishonest behavior patterns and plans to prevent dishonesty. It includes handling procedures, behavior guidelines and the establishment of advocacy, rewards and punishments, complaint systems and disciplinary actions, etc. It regulates the matters that personnel should pay attention to when conducting business, and prohibits offering or accepting illegitimate benefits in order to implement and prevent dishonesty. The Company cooperates with the review of laws and regulations, regularly reviews the appropriateness and effectiveness of relevant regulations every six months, and revises them when necessary.</p>	No significant divergence
<p>2. Implementing Ethical Corporate Management</p> <p>(1) Has the company evaluated the records of unethical conduct of counterparties and specified the terms of ethical conduct in the agreement signed with the counterparties?</p>	V		(1) a. The SinoPac Holdings has established the "Supplier Corporate Social Responsibility Code of Conduct, which stipulates that suppliers shall establish a corporate culture of ethical management, comply with the "Guidelines for Ethical Corporate Management" of SinoPac Holdings, and evaluate the ethical corporate	No significant divergence

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(2) Has the company set up a dedicated unit under the Board of Directors to promote ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct?	V		<p>management of counterparties before establishing business relationships with them. SinoPac Holdings has also requested suppliers to sign the "Supplier Commitment to Corporate Social Responsibility."</p> <p>b. The agreement entered into between SinoPac Holdings and its suppliers has specified that suppliers shall not, directly or indirectly, request or agree to the payment of commissions, rebates or any benefits per request, or SinoPac Holdings may terminate or rescind the agreement.</p> <p>(2) SinoPac Holdings has set up the Ethical Corporate Management Committee under the Board of Directors to review its ethical corporate management policies and prevention programs and supervise the performance of the management. The Committee shall regularly report the compliance status to the Board of Directors. The Ethical Corporate Management Committee shall hold at least once every six months and may hold at any time whenever necessary. The minutes of the meeting shall be submitted to the Board of Directors.</p>	No significant divergence
(3) Has the company established the policies to prevent conflicts of interest, provided proper channels of explanation, and implemented them?	V		(3) a. The "Guidelines for Ethical Corporate Management" and "Procedures for Ethical Management and Guidelines for Conduct" of SinoPac Holdings clearly specify the provisions related to recusal due to conflict of interests. Both sets of regulations provide the methods for dealing with conflict of interests between directors, supervisors, managers of the Company or its	

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(4) Has the company established effective accounting systems and internal control systems to implement ethical	V		<p>subsidiaries or other interested parties who attend or sit in Board meetings and their legal persons or the legal persons they represent in the agendas of the Board of Directors. According to the aforesaid provisions in these regulations, a director shall be deemed to have a personal interest in an agenda during a Board meeting if the director' spouse or relatives within the second degree of kinship or any company which has a controlling or subordinate relation with a director has an interest in the agenda. Appropriate channels shall be provide for directors, supervisors, managers, and other interested parties who attend or sit in Board meetings to proactively explain whether there is any potential conflict of interest between them and SinoPa Holdings.</p> <p>b. In the event that employees at SinoPac Holdings are involved in conflicts of interest or allow themselves or their spouse, parents, children or other stakeholders to obtain improper benefits when performing their duties, such events shall be reported to their immediate supervisors and the human resources department of SinoPac Holdings in accordance with the relevant provisions, and their immediate supervisors shall offer appropriate guidance to them.</p> <p>(4) SinoPac Holdings has established an accounting system that complies with the relevant laws and regulations as the guidelines for accounting transactions. SinoPac Holdings has also established an</p>	No significant divergence

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<p>corporate management and had its internal audit unit, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?</p> <p>(5) Has the company regularly held internal/external training on ethical corporate management?</p>	V		<p>internal control system and established three lines of defense to ensure that its design and implementation continue to be valid. In addition, when formulating the audit plan, the audit unit has included unethical behaviors into the risk assessment and conducts regular reviews of internal audits, external inspections, cases of penalties, and written notifications from competent authorities to assess adjustments to the audit plan and check that they are compliant with measures to prevent unethical conduct.</p> <p>(5) a. SinoPac Holdings and its subsidiaries educate all employees, including senior management, new employees, and temp workers, about the "Guidelines for Ethical Corporate Management" and the "Procedures for Ethical Management and Guidelines for Conduct" every year and request them to read these regulations thoroughly, so as to prevent unethical conduct when performing their duties.</p> <p>b. In order to deepen and strengthen training on ethical corporate management, SinoPac Holdings and its subsidiaries also arranged the dedicated personnel or supervisors, regularly or from time to time, to explain the professional ethics, principle of good faith, whistle-blowing system, and related internal and external regulations to new or existing employees. Advocacy and training activities organized in 2022 are as follows:</p> <ul style="list-style-type: none"> <li>● In February 2022, the "Guidelines for Ethical Corporate Management" and the "Procedures for Ethical</li> </ul>	No significant divergence

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			<p>Management and Guidelines for Conduct" were provided to the directors and supervisors of SinoPac Holdings and its subsidiaries for referenc and compliance.</p> <ul style="list-style-type: none"> <li>● In June 2022, the annual external (Taiwan Academy of Banking and Finance) online on-the-job training for the compliance personnel of the Company and its subsidiaries were conducted. The course included "Fair Treatment for Customers" and "21 Management Commandments for Financial Specialists", the "Personal Data Protection Act and Case Sharing", "Cases of Financial Fraud and Common Deficiencies in Financial Institution Inspections", "Cases of Financial Investment Products and Consumer Disputes (including Sales Discipline)", etc. The duration of the course was 15 hours. After completing the course and passing the test, the qualification for completing the training was obtained.</li> <li>● Besides the inclusion of ethical management related policies and regulations in orientation training of the new employees by the human resources units of SinoPac Holdings and its subsidiaries, in 2022, all new and current employees (including temp workers) of the Company and its subsidiaries (Bank SinoPac, Bank SinoPac (China), SinoPac (HK) Insurance Brokers Ltd., SinoPac Leasing, SinoPac International Leasing Corp., SinoPac International Capital (HK), SinoPac Venture Capital, SinoPac</li> </ul>	No significant divergence

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			<p>Securities, SinoPac Futures, SinoPac Securities Investments, SinoPac Securities Venture Capital, SinoPac Securities (Asia), SinoPac Asset Management (Asia), SinoPac Financial Services, SinoPac SITC, etc.) completed online training and education related to the "Guidelines for Ethical Corporate Management," "Procedures for Ethical Management and Guidelines for Conduct," and "Whistle-blowing System." The training lasted 1 hour and a total of 11,922 employees participated in 2022, with a participation rate of 100%.</p> <p>c. The SinoPac Holdings has established the "Supplier Corporate Social Responsibility Code of Conduct, which stipulates that suppliers shall establish a corporate culture of ethical management, comply with the "Guidelines for Ethical Corporate Management" of SinoPac Holdings. Currently, 100% of new suppliers have signed the commitment and four internal and external education and training session were held in 2022.</p>	No significant divergence
<p>3. Implementing the Whistle-blowing System</p> <p>(1) Has the company established a concrete whistle-blowing and incentive system, established convenient whistle-blowing channels, and appointed dedicated personnel to deal with the reported personnel?</p> <p>(2) Has the company</p>	<p>V</p> <p>V</p>		<p>(1) SinoPac Holdings has established the whistle-blowing and incentive system in the "Whistleblowing Policy, disclosed the whistle-blowing system and channel on the official website, and appointed the Legal &amp; Compliance Division to accept reported misconduct and the Audit Division to investigate.</p> <p>(2) SinoPac Holdings has specified the</p>	No significant divergence



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<p>established the standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after the investigation, and related confidentiality mechanisms?</p> <p>(3) Has the company taken measures to protect the whistle-blowers from inappropriate disciplinary actions due to their whistleblowing?</p>	V		<p>procedures fo establishing, accepting, and investigating reporte misconduct, follow-up measures after the investigation of reported misconduct, and standard operatin procedures for protecting whistle-blowers in it "Whistleblowing Policy."</p> <p>(3) SinoPac Holdings has specified the whistleblower protection system in the "Whistleblowing Policy" which is applicable to the Company and its subsidiaries and protects whistle-blowers from layoff, dismissal, degradation, pay cut, damage to their statutory, contractual or customary rights, or other unfavorable disciplinary actions due to whistle-blowing. Whistleblowers are subject to unfavorable disciplinary actions due to whistle-blowing may lodge a complaint with the Human Resources Division, which will then be reported to the upcoming meeting of the Ethical Corporate Management Committee.</p>	No significant divergence
<p>4. Enhancing Disclosure of Information</p> <p>Has the company dis-closed the "Guidelines for Ethical Corporate Management" and its status of operations on the official website and Market Observation Post System?</p>	V		<p>SinoPac Holdings has disclosed the "Guidelines for Ethical Corporate Management" and "Procedures for Ethical Management and Guidelines for Conduct" and the status of operations of ethical corporate management on the official website.</p>	No significant divergence
<p>5. Difference between the "Guidelines for Ethical Corporate Management" and "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" No significant divergence.</p>				
<p>6. Other Important Information (e.g. Amendment to the "Guidelines for Ethical Corporate Management"): Please refer to the official website (www.sinopac.com).</p>				