

Taishin Securities Co., Ltd.

Sustainability Policy

Established on December 23, 2022

- Article 1 Taishin Securities Co., Ltd. ("the Company") is committed to fulfilling its corporate social responsibility and facilitate economic, environmental, and social progress in order to achieve sustainability targets. Taishin Securities Co., Ltd. Sustainability Policy ("the Policy") is established pursuant to the Taishin FHC Sustainability Best Practice Principles to manage the impacts of its business operations on economic, environmental, and social risks.
- Article 2 This policy applies to all operations of the Company and its subsidiaries.
- Article 3 The Company promotes sustainability based on core values such as integrity, commitment, innovation, and cooperation. As part of its pursuit of sustainability and profit at the same time, the Company pays attention to environmental, social, and governance elements and watches out for the stakeholders' rights by making them part of the Company's management policies and business activities.
- The Company assesses environmental, social, and governance issues relevant to its operations based on the principle of materiality.
- Article 4 The Company is committed to practicing sustainability by following these principles:
- I. Enforce corporate governance.
 - II. Develop a sustainable environment.
 - III. Safeguard public interest.
 - IV. Improve corporate sustainability disclosure.
- Article 5 The Company establishes a sustainability system or related material issues by considering how domestic and overseas development trends of sustainability issues influenced core businesses and how the overall business activities influenced stakeholders. The system is approved by the Board of Directors.
- Article 6 For the purpose of developing sound corporate governance, the Company references the spirit of the Corporate Governance Best-Practice Principles for Securities Firms, the Taishin FHC Integrity Code of Conduct, and the Taishin FHC Sustainable Development Best Practice Principles to create an effective governance framework and related ethical standards.
- Article 7 The Company's directors practice fiduciary duty by supervising the Company to practice sustainability, review sustainability results on a timely basis, and make continuous improvement to ensure that the

Company's sustainability policy is executed effectively.

The Company has the Strategy and Planning Department compile economic, environmental, and social issues arising from business activities and report to the Board of Directors.

- Article 8 To better manage sustainability, the Company creates a governance framework to promote sustainability and formed the Corporate Sustainability Section under the Strategy and Planning Department to take charge of promoting sustainability, handling sustainability policies, rules or related management policies, and reporting regularly to the Board of Directors.
- Article 9 The Company respects stakeholder rights and identifies its stakeholders. The Company also utilizes appropriate communication channels to learn about its stakeholders' reasonable expectations and needs. After which, the Company responds appropriately to important sustainability issues that stakeholders are concerned with.
- Article 10 The Company complies with environmental regulations and pays attention to international guidelines. The Company works hard to improve energy efficiency and uses recycled materials with a lower environmental impact to achieve sustainable use of Earth's resources and create an environmental management system. Furthermore, the Management Department of the Administration Division is the unit responsible for environmental management and in charge of establishing, promoting, and maintaining related environmental management rules and detailed action plans.
- Article 11 For the purpose of facilitating economic, environmental, and social sustainability, the Company shall adhere and refer to international guidelines or trends when evaluating an investee company's effectiveness in performing environmental protection, CSR, and corporate governance.
- Article 12 The Company pays attention to impacts of operations on eco-efficiency, and facilitates and promotes sustainable consumption. The Company also follows the principles below when conducting its business activities to reduce impacts of the Company's operations on the natural environment and the population.
- I. Reduce consumption of resources and energy in products and services.
 - II. Reduce discharge of pollutants, toxins and waste and take appropriate steps to handle waste.
 - III. Increase recyclability and reusability of raw materials or products.
 - IV. Make maximum sustainable use of renewable resources.

- V. Extend product durability.
- VI. Increase performance of products and services.
- VII. Make adequate and sustainable use of water resources and increase water efficiency.

Article 13 The Company assesses potential present and future risks and opportunities of climate change on businesses and take relevant response measures. The Company also adopts generally accepted standards or guidelines when conducting and disclosing GHG inventory, which covers direct GHG emissions, indirect GHG emissions, and other indirect emissions.

Article 14 The Company follows applicable labor regulations and complies with international human rights conventions. To fulfill its responsibility to protect human rights, the Company has established a management policy and the related procedures:

- I. Present the Company's human rights policy or statement.
- II. Review regularly the Company's human rights policy or statement.
- III. In the event of human rights violation, the procedure for handling stakeholders involved shall be disclosed.
- IV. Comply with internationally recognized labor rights, such as freedom of association and collective bargaining, care for disadvantaged groups, prohibition of child labor, eradication of any form of forced labor, and eradication of hiring or employment discrimination; and ensure the human resources policy does not contain any unfavorable treatment by gender, race, social/economic status, age, marital status, or family background to ensure equality and fairness in employment or hiring conditions, remuneration, benefits, training, performance evaluation and promotion.
- V. In response to threats to labor rights, the Company provides effective and adequate grievance mechanisms. The grievance channels are clear, easy-to-use and open. The Company will respond to employee grievances appropriately.

Article 15 The Company provides employees a healthy and safe work environment, including mandatory health and first aid facilities. The Company also works hard to reduce employee health and safety hazards to prevent occupational disasters. In addition, the Company provides regular health and safety training for its employees.

Article 16 The Company provides a proper environment for employees in terms of

career development, and devises effective career development plans.

The Company has established and implemented reasonable employee benefits (including remuneration, holidays and other benefits).

Furthermore, business performance results are reflected adequately in employee remuneration to facilitate human resources recruitment, retention and incentive, and achievement of sustainability goals.

Article 17 The Company has created channels for regular communication and dialogs with its employees. Employees are notified of business changes with potentially significant impact through reasonable means so as to give the employees the right to obtain information and express opinions regarding the Company's business management and decision making. The Company also respects the employee representatives' right to negotiate working conditions, and provides employees with the necessary information and infrastructure to facilitate negotiation and cooperation between the Company, the employees and employee representatives.

Article 18 The Company attaches great importance on sales ethics, for which it works to ensure transparency and safety in product and service information. The Company devises, discloses and implements its consumer rights policy in business activities to prevent products or services from infringing consumer rights, and violating health and safety regulations.

Article 19 Pursuant to laws, regulations and industry standards, the Company ensures the quality of its products and services are compliant. For matters related to customers' health and safety, customer privacy, or sales and labeling, the Company shall conform to the applicable regulations and international guidelines and shall not attempt to deceive, mislead, defraud or engage in any other conduct that would destroy consumer trust or infringe consumer rights.

The Company is advised to assess and manage risks in the scope of business that may cause operational disruption, and reduces the impact on consumers and society as a whole.

For products and services, the Company provides transparent and effective consumer grievance procedures to handle consumer complaints in a fair and timely manner. The Company also complies with the Personal Data Protection Act in fully respecting consumer privacy and protecting personal information provided by consumers.

Article 20 Pursuant to the Taishin FHC Supplier Management Regulations, the Company reviews the environmental and social impacts of its procurement behaviors on the supplying communities. The Company works closely with suppliers. Each supplier shall sign a letter of commitment, which covers fulfillment of CSR, promotion of environmental sustainability, and action

to uphold basic human rights. Suppliers who violate their commitments shall make improvement immediately or face termination or rescission of their respective agreements at any time.

- Article 21 The Company is advised to assess the impact of its business on the community. Of which, the Company shall invest resources through business activities, donations, corporate volunteering or other professional services for charity in organizations working to use business models to resolve social or environmental issues, civil organizations participating in community development and education, and events related to a charity group or government agency to facilitate community development.
- Article 22 The Company makes disclosures pursuant to the Corporate Governance Best-Practice Principles for Securities Firms and other related regulations. The Company shall also make full disclosures of relevant and reliable sustainability information for better information transparency.
- Article 23 The Company shall constantly monitor development of sustainability standards home and abroad, as well as changes in the business environment. The information provides a basis for review and improvement of the Company's sustainability system. This shall enhance and promote sustainability performance.
- Article 24 The Policy shall take effect upon approval of the Board of Directors. The same applies to all subsequent amendments.

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