

# E.SUN FHC Human Rights Due Diligence Process

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The Human Rights Due Diligence Process is established herein to fulfill corporate social responsibilities and our commitment to human rights. Every year, the Human Rights Protection Team of the E.SUN Sustainable Development Committee, the dedicated units of human rights protection in E.SUN, periodically identifies and assesses at-risk groups and potential human rights issues, drafts human rights control plans, and continues to monitor and improve implementation outcomes in order to effectively enforce human rights policies. The processes are designed as follows:

## I. Plan vision

In accordance with the shared vision of "E.SUN employees strive to be first-class citizens of the world and E.SUN endeavors to become a first-rate global corporate citizen," E.SUN FHC's commitment to human rights is specified in E.SUN Financial Holdings Corporate Social Responsibility Best Practice Principles and Statement of Commitment to Human Rights and Environmental Sustainability, among other internal policies. It is also disclosed on the website of E.SUN FHC.

## II. Identify impact

1. To continuously determine the impact of various human rights issues, potential human rights issues and groups potentially at risk of human rights violation are identified by reviewing business operations, new commercial activities (e.g., consolidation and joint venture), and other related activities (e.g., social welfare events) through regular data monitoring, questionnaire surveys, and social trend analysis, etc.
2. The implementation status of suppliers in the value chain, business partners, and customers regarding human rights commitment is examined and assessed as needed. Open data of third-party investigations are used as reference for assessing human rights-related issues.

## III. Assess risks

For stakeholders at risk, the probability of occurrence and level of influence in relation to human rights issues and potential risks are assessed, and human rights risk matrix is established. These results are disclosed on E.SUN's website and its sustainability report.

## IV. Draft plans

1. The Human Rights Protection Team regularly discusses and formulates a human rights issue control plan based on the potential risk occurrence probability and impact degree

analyzed by the human rights issue risk matrix.

2. The human rights issue control plan includes mitigation and compensation measures, covering all E.SUN FHC's operating locations in Taiwan and overseas, including related stakeholders affected by human rights issues.
3. Risk mitigation and compensation measures are implemented by relevant units involved in human rights issues.
4. In the event of material human rights issues, the Human Rights Protection Team will hold a meeting and conduct investigations and assessments. The investigation results and response measures are provided on public information platform if necessary.

## **V. Oversee the execution process**

1. The Human Rights Protection Team should establish a mechanism for monitoring, tracking, and assessing for the execution of the control plan, keeping abreast of the outcomes of the human rights control plan and ensure the implementation of risk mitigation and compensation measures.
2. If suppliers, business partners, and customers (e.g., borrowers) are involved in violations of "E.SUN FHC Corporate Social Responsibility Best Practice Principles" and have caused significant impact upon the environment and society, the Human Rights Protection Team and relevant units should evaluate the termination or rescission of the contract with them.

## **VI. Review improvements**

1. Finally, evaluation tools and processes are reviewed, and relevant practices and commitments are reexamined and adjusted to improve the mechanism involved in the Human Rights Due Diligence Process.
2. Other potentially at-risk groups and potential human rights issues that were not included in the assessment are identified through reviews and examinations to fulfill E.SUN's human rights protection commitment and responsibility.