



Fubon Financial Holding Co., Ltd. and Subsidiaries Human Rights Policy

Document: T1-6001-2-02-C

Date Approved: 2022/05/05

Effective Date: 2022/05/17

Responsible Unit: Human Resources Division

Version: Version 3

Table of Contents

Contents		Page 1
Article 1	Purpose	2
Article 2	Scope	2
Article 3	Groups whose Human Rights Should Be Protected	2
Article 4	Due Diligence Process	2
Article 5	Employee and Intern-related Human Rights Commitments	2
Article 6	Supplier-related Human Rights Commitments	3
Article 7	Human Rights Commitments to Partners and Their Employees	4
Article 8	Additional Provisions	4
Article 9	Implementation and Amendment	4
Table	Record of Changes	5

Article 1 Purpose

The “Fubon Financial Holding Co., Ltd. and Subsidiaries Human Rights Policy” (the “Policy”) is being established to ensure that Fubon Financial Holding Co., Ltd. (the “Company”) and the subsidiaries listed on its business license (“subsidiaries”) strive to uphold fundamental human rights and eliminate any behavior that infringes on or violates the human rights of others so that everyone is treated fairly and with dignity. This Policy referred to the United Nations Guiding Principles on Business and Human Rights in advocating an environment that safeguards human rights based on a protect, respect and remedy framework. It also supports and complies with the Universal Declaration of Human Rights, the Global Compact, International Labor Organization conventions, the Principles for Responsible Investment, the Equator Principles, and local laws and regulations.

Article 2 Scope

This Policy applies to the Company, its subsidiaries, and affiliated companies or organizations of the Company or its subsidiaries (the “Group”).

Article 3 Groups Whose Human Rights Are Protected

The people whose human rights are protected under the Policy are as follows:

1. Employees, interns
2. Suppliers and their employees: Tier 1 suppliers with whom Fubon has direct business relations and contractors
3. Partners and their employees: Retail customers, corporate clients, investee companies, loan customers, and local communities

Article 4 Due Diligence Process

A due diligence process and human rights risk management system has been established according to the United Nations Guiding Principles on Business and Human Rights reporting framework. It requires identifying human rights issues and stakeholders who could be easily affected by those issues, conducting regular risk assessments, setting up mitigation and remedial measures, and publicly disclosing and providing grievance mechanisms.

Article 5 Employee and Intern-related Human Rights Commitments

The human rights commitments we have made to employees and interns are as follows:

- 1. Prohibition of forced labor:** Eliminating all forms of forced labor, including slavery, human trafficking, and bonded labor; workers have the right to freely resign or terminate employment relationships.
- 2. Prohibition of child labor:** Prohibiting the use of child labor; for student interns or students in cooperative education programs, employers should comply with local laws, sign short-term work contracts, and uphold workers' rights and interests.
- 3. Equal remuneration:** Creating a fair and reasonable compensation system; there should be no difference in salaries based on gender or sexual orientation, and employees should receive equal pay for equal work or equal value. But if differences in pay are the result of seniority, reward and discipline systems, performance, or other justifiable reasons and not because of gender or sexual orientation, they are not subject to the above restrictions.
- 4. Non-discrimination:** Forging a diverse workplace; employers cannot provide differential treatment or discriminate against employees or applicants, whether based on gender, sexual orientation, nationality, race or ethnicity, social class, age, marital status, language ideology, religion, political affiliation, ancestral home, birthplace, appearance, facial features, disabilities or membership in a labor union. Everybody should work together to foster a safe workplace free of sexual harassment where people are treated fairly and with respect.
- 5. Freedom of association:** Supporting lawful efforts by workers to organize and exercise their rights to join a union, maintaining open channels of communication with unions, and cultivating a workplace environment with harmonious labor-management relations.
- 6. Right to collective bargaining:** Negotiating and signing collective bargaining agreements covering working conditions and employee benefits to consolidate harmonious labor-management relations
- 7. Occupational safety and health:** Providing a safe and healthy work environment, complying with related laws, and continuing to improve safety and health in the workplace to prevent accidents from happening, lower the risk of occupational hazards, ensure the safety of all employees, and promote their physical and mental well-being.

Article 6 Supplier-related Human Rights Commitments

The human rights commitments related to suppliers and their employees are as follows:

- 1. Anti-discrimination:** During their recruiting and hiring process, suppliers should not engage in discrimination, whether based on race, skin color, age, gender, sexual orientation, ethnicity, abuse, disabilities, religious beliefs, political affiliation, union membership, nationality or marital status. They must also not discriminate against workers when considering employment, promotion, bonus or training opportunities or work arrangements, wages, benefits, disciplinary action, dismissal or retirement. Suppliers must not require women to get pregnancy tests or discriminate against pregnant workers, unless local laws provide otherwise. In addition, suppliers cannot ask workers or future workers to accept drug tests that seem discriminatory unless required by law or to ensure workplace safety.
- 2. Prohibition of harsh treatment and harassment:** Suppliers shall pledge to foster workplaces free of harassment; suppliers must not threaten workers or treat them harshly or inhumanely, including using improper or illegal behavior such as sexual harassment, corporal punishment, physical or mental coercion, or verbal abuse.
- 3. Prohibition of forced labor:** Suppliers must guarantee that all of their employees are doing their jobs voluntarily and that they have the right to freely resign or terminate employment relationships after giving advance notice. Suppliers cannot, as a condition of employment, hold as collateral an employee's ID, passport or work permit.
- 4. Prohibition of child labor:** Suppliers must prohibit the use of child labor; the definition of child labor is based on the laws and regulations of the jurisdiction where the worker is located.
- 5. Work hours:** Unless there is an emergency or a special situation, maximum weekly work hours (including overtime) and worker leave (including their right to ask for time off or have holidays off) rules must at minimum meet the laws and regulations of the jurisdiction in which workers are located.
- 6. Salary and benefits:** The wages paid by suppliers must at minimum meet statutory minimum wage standards in the jurisdiction in which they are located and provide legally mandated benefits. Beyond regular salary, employees shall be paid overtime based on statutory requirements for overtime hours worked. Suppliers cannot deduct employee pay as a form of punishment, and wage payments must be made on time. Wage details should be explained to employees in a timely and clear manner.

7. Freedom of association: Suppliers must comply with laws and regulations in the jurisdiction in which employees are located, including respecting the right of workers to associate freely, organize freely, join a union, and seek representation and collective bargaining rights. During the hiring process, suppliers cannot discriminate against employees because they are members of a union. They especially cannot make abandoning union membership or agreeing not to join a union a condition of employment, or fire or discriminate against an employee who is a union member for participating in union activities outside of working hours (or during working hours if agreed upon by the supplier or if related laws and regulations stipulate that union activities are to be held during working hours).

Article 7 Human Rights Commitments to Partners and Their Employees

Fubon's human rights commitments related to partners and their employees are as follows:

- 1. Privacy:** To protect people's right to privacy, we carefully manage personnel and equipment security and the storage, processing, transmission, and preservation of customer information. Security measures and management controls are in place for databases, networks, personal computers, and storage media as operating systems are being developed, designed, and maintained. Online transactions are protected by an encrypted transmission and authentication system. All of these mechanisms are required to prevent customer data from being stolen, tampered with, damaged, lost or leaked.
- 2. Human Rights:** We abide by the Principles of Responsible Investment to guide our use of funds and have developed a list of countries that could have high ESG risk. ESG risk assessments of those countries, which determine whether we should avoid investing in bonds issued by high-risk countries, take into account workers rights and human rights.
- 3. Environment:** During the process of developing financial products, providing services or making investments, we assess and consider their environmental impact to mitigate pollution, the depletion of resources, and adverse effects on communities and the environment.
- 4. Financial inclusion:** We apply core competencies to promote financial literacy education and financial inclusion, instill healthy attitudes toward money, and improve class mobility. We also actively support industry-academia collaboration to help cultivate professional financial talent and contribute to the overall development of the financial sector.

Article 8 Additional Provisions

Other matters not covered in the Policy should be handled in accordance with the relevant regulations of the regulatory authority and the Company.

Article 9 Implementation and Amendment

The Policy will be published and implemented in accordance with the Company's policy on establishing rules and guidelines after being approved by the Company's board of directors. The same is true for revisions.

Table: Record of Changes

Version	Date of Approval	Effective Date	Approval Level	Notes
01	2016/08/25	2016/08/30	Board of Directors	Sixth term, 13th meeting
02	2019/11/15	2019/12/12	Division Chief\	Revision made in accordance with operating rules stipulated in Company by-laws
03	2022/05/05	2022/05/17	Board of Directors	Eighth board, 13th meeting Revised the groups whose human rights are protected and commitments