

Shin Kong Financial Holding Co., Ltd.

Statement on Human Rights

Implemented and effected on December 1, 2018

Amendment effected on February 21, 2020

Amendment effected on June 8, 2021

Amendment effected on April 25, 2023

I. Purpose:

To honor the commitments and fulfill the responsibilities for safeguarding human rights, and reduce the occurrence possibilities and impacts of potential risks in human rights, Shin Kong Financial Holding Co., Ltd. and its subsidiaries (hereinafter referred to as the "Company") comply with the "Universal Declaration of Human Rights", the "UN Guiding Principles on Business & Human Rights", the "UN Global Compact", the "ILO Declaration on Fundamental Principles and Rights at Work", and the principles specified in other international conventions on human rights, and formulate this Letter of Statement for the Company and its suppliers and business partners to abide hereby jointly, so as to prevent any infringement on and violation of human rights.

In addition to the Company's commitment to compliance with the provisions of the international conventions on human rights, it strictly complies with the labor-related laws and regulations in the place where it operates, and establishes appropriate management methods and procedures to ensure the consistency between its internal management policies and this Statement. In addition, for the human rights issues and risks which may be involved in the operating course and value chain activities, the Company regularly conducts human rights due diligence and promotes related mitigation plans to fulfill corporate social responsibility and protect the basic human rights of all employees, customers, and stakeholders.

II. Applicable Scope and Targets:

This Statement is applicable to the Company's operating activities, and the Company establishes the "Supplier Management Regulations", "Supplier ESG Commitment Letter" and "Sustainable Finance Policy" on the spirits hereof to require its suppliers and business partners (including customers, investment subjects and joint ventures) to jointly follow the basic principles of this Statement.

III. Major Points Concerning Commitment:

(I) Employees:

- i. Prohibition of forced labor: Comply with international human rights and legal requirements. The Company strictly prohibits any violation of international human rights and local labor laws, such as employment of child labor and any form of forced labor. In addition, implement reasonable work hours, establish express regulations on work hours and extension of work hours, and regularly pay attention to and manage employees' attendance to ensure that employees are not exposed to risks of excessively long work hours.
- ii. Implementation of fair treatment and equal remuneration: Ensure no differential treatment in employment policy, implement equality and fairness in employment, remuneration, benefits, training, examination, evaluation, and opportunities for promotion, not allow differential treatment due to gender, race/ethnicity, socioeconomic status, age, marital status, family status, language, religion, political affiliation, nationality, appearance, facial features, or physical and mental disabilities of individuals.
- iii. Non-discrimination and Anti-harassment: Formulate and announce the "Code of Ethics", "Rules for Prevention, Complaint, and Punishment against Sexual Harassment", and other code of conducts, and provide effective and appropriate complaint, and disciplinary mechanisms to strive to create a work environment with equal employment and free from discrimination and harassment.
- iv. Protection of employees' health and safety: Provide a safe and healthy work environment, and necessary health and first aid facilities, regularly review any health and safety risks of employees, and remain committed to reducing the risks of occupational accidents to protect the physical and mental health of employees.
- v. Support on freedom of association: The Company supports employees' rights to form a diverse range of associations, and to join in various associations and organizations.
- vi. Ensure the right to collective bargaining: The Company establishes diversified labor-management communication channels, sets up the employee complaint mailbox, regularly organizes quarterly labor-management meetings, and encourages employees to propose suggestions to ensure that employees are entitled to the labor rights and interests in labor-management negotiation, and to establish harmonious labor relations. In addition, the Company provides stakeholders with

communication channels and platforms to pay attention to and respond to the opinions of stakeholders.

(II) Suppliers

The Company establishes the “Supplier Management Regulations” and “Supplier ESG Commitment Letter” to assist in ensuring suppliers jointly implement sustainable development and safeguard human rights. Major issues include:

- i. Corporate ethics: Suppliers shall comply with local government regulations, manage relevant businesses in an honest and ethical manner, avoid improper conflicts of interests, and properly manage and keep the confidentiality of confidential information to avoid infringement on the rights and interests of the company and customers.
- ii. Decent work: Subject to laws, suppliers shall not employ child or forced labor, or involve human trafficking. In addition, Suppliers shall safeguard the rights and interests of its employees (third-party contracted employees, migrant workers, etc.), provide healthy and safe workplaces, prevent occurrence of occupational accidents, and protect employees against harassment, discrimination, and inhumane treatment.
- iii. Freedom of association: Suppliers shall, in accordance with local laws, respect employees’ freedom of association, as well as their freedom to join in trade union and labor committee, and seek the qualifications to act as representatives, etc.
- iv. Environmental protection: Suppliers shall comply with environmental laws and regulations, take the protection of natural resources as their principle, and avoid the use of environmentally hazardous substances during their operating course, so as to reduce any negative impacts on the local community and environment.

(III) Business Partners:

To ensure that the value chain activities and the process of establishing new business relationships are in line with sustainable development trends and protection of human rights, the Company implements "Treating Customer Fairly Principles", and establishes "Sustainable Finance Policy" to implement sustainable finance and safeguard the rights and interests of customers, shareholders, and other stakeholders. Major issues include:

- i. Customer's rights and interests: Include the "Treating Customer Fairly Principles" in internal control and audit system, and internalize the Principles as the common philosophy of the Company's employees. Improve the quality of customer services based on customer's needs, and establish diversified compliant channels to protect the rights and interests of consumers.
- ii. Protection of personal privacy: Protect the personal privacy of all customers, employees, and stakeholders, and establish rigorous and comprehensive personal information and information security management mechanisms, as well as protection measures to ensure information security.
- iii. Responsible investment and credit: The Company incorporates ESG issues, such as environment, society (including labor human rights), and corporate governance into the investment analysis and decision making process, by referring to Principles for Responsible Investment (PRI), so as to ensure that investment subjects follow the spirits and principles of this Letter of Statement. In addition, the Company also carefully selects corporate credit subjects, includes ESG evaluation indicators in its internal policies and rules, and conducts tracking and management to maintain a good credit assets quality, and avoid impacts on the sustainability of society and environment.

IV. Handling of Material Violations:

The Company invites all employees, suppliers and business partners to work together to improve the awareness of human rights-related issues, as well as identification and management of possible risks, in order to provide workers with a fairer and safer work environment, improving the awareness of human rights protection. In case of any breach of this Statement by the Company's any employee, supplier or business partner, it shall be handled in the following principles:

- (I) In case of any infringement on or violation of human rights by the Company's any employee, penalty shall be imposed on him/her properly depending on the severity of the circumstances according to the work rules if it is true as investigated, such as admonition, demerit, adjustment to position, demotion, or otherwise, and the Company will track, evaluate, and monitor the said penalty to avoid occurrence of the same incident.
- (II) If any supplier infringes on or violates human rights, and it fails to make correction after it is persuaded by the Company or the situation is serious, the Company may

cancel or terminate contract with the supplier.

(III) Communicate with the invested subjects that have experienced significant ESG incidents, and track the improvements progress, and adjust the strategies for the transactions with the counterparties if necessary.

V. This Statement shall be announced and implemented after it is approved by the Chairman, and the same shall apply to any amendments.