

Fulfillment of Operations of Ethical Corporate Management and Deviations from the Guidelines for Ethical Corporate Management and Reasons

Evaluation Item	Operational Status			Fulfillment of Operations of Ethical Corporate Management and Deviations from the Guidelines for Ethical Corporate Management and Reasons
	Yes	No	Summary Explanation	
<p>1. Establishing Ethical Corporate Management Policies and Programs</p> <p>(1) Has the Company established 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>	V		<p>(1)a. SinoPac Holdings has established the "Guidelines for Ethical Corporate Management" and "Procedures for Ethical Management and Guidelines for Conduct" for ethical corporate management strategy. Both of these have been implemented, having received the approval of the Board of Directors through resolutions. These regulations specify the ethical corporate management policies and practices of SinoPac Holdings and its subsidiaries and stipulate 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>b. In order to strengthen communication with stakeholders and help them understand the Company's commitments and mechanisms regarding anti-bribery and anti-</p>	No significant deviation

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(2) Has the Company established a risk assessment mechanism against unethical conduct, and does it analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct and establish prevention programs accordingly, which shall at least include the preventive measures specified in Article 7, Paragraph 2 of the Guidelines for Ethical Corporate Management?	V		<p>corruption, SinoPac Holdings have announced an "Anti-Bribery and Anti Corruption Statement" on the official website</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 sponsorships, infringement on intellectual property rights, conflicts of interest, disclosure of confidential information, and insider trading.</p> <p>b. SinoPac Holdings has incorporated regulations related to the "Guidelines for Ethical Corporate Management" into its compliance self-assessments, including provisions against unethical conduct; pattern of benefits; 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 that are at higher risk of being involved in unethical conduct, and</p>	No significant divergence

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(3) Has the Company specified in its prevention programs the operating procedures, guidelines, punishments for violations, and grievance system and implemented them, and does it review these prevention programs on a regular basis.	V		<p>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 request that all directors, supervisors, and employees (including senior management, new employees, and temp workers) sign the statement of ethical corporate management policy every year to take preventive measures against unethical conduct in accordance with Article 7, Paragraph 2 of the "Guidelines for Ethical Corporate Management"</p> <p>(3) SinoPac Holdings has established the "Procedures for Ethical Management and Guidelines for Conduct," the "Employee Code of Conduct" and other standards, 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, and so forth. 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. SinoPac Holdings cooperates with the review of laws and regulations, regularly</p>	No significant divergence

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			reviews the appropriateness and effectiveness of relevant regulations every six months, and revises them when necessary	
<p>2. Implementing Ethical Corporate Management</p> <p>(1) Does the Company evaluate the records of unethical conduct of counterparties and specify terms of ethical conduct in agreements signed with counterparties</p>	V		<p>(1) a. SinoPac Holdings has implemented the "Supplier Corporate Social Responsibility Code of Conduct." This code requires suppliers to foster an ethical corporate culture, adhere to SinoPac Holdings' "Guidelines for Ethical Corporate Management," and assess the ethical practices of potential business partners before entering into any agreements. Additionally, SinoPac Holdings has mandated that suppliers sign the "Supplier Commitment to Corporate Social Responsibility."</p> <p>b. The agreement between SinoPac Holdings and its suppliers stipulates that suppliers are prohibited from directly or indirectly soliciting or accepting commissions, rebates, or any other form of benefits. Failure to comply with this provision may result in the termination or cancellation of the agreement by SinoPac Holdings.</p>	No significant divergence
<p>(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</p>	V		<p>(2) SinoPac Holdings has established the Ethical Corporate Management Committee, which operates under the purview of the Board of Directors. The committee's primary responsibilities include reviewing the Company's ethical corporate management policies and prevention programs, as well as</p>	

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<p>implementation of the ethical corporate management policies and prevention programs against unethical conduct?</p> <p>(3) Has the Company established policies to prevent conflicts of interest, provided proper channels of explanation, and implemented them?</p>	V		<p>overseeing the management's performance. Additionally, the committee is required to provide regular reports on the Company's compliance status to the Board of Directors. The Ethical Corporate Management Committee will convene at least once every six months and may convene as needed. The minutes of each meeting shall be submitted to the Board of Directors.</p> <p>(3)a. The "Guidelines for Ethical Corporate Management" and "Procedures for Ethical Management and Guidelines for Conduct" of SinoPac Holdings clearly outline the provisions regarding recusal in cases of conflict of interest. These regulations provide guidance on how to address conflicts of interest that may arise between directors, supervisors, managers of SinoPac Holdings or its subsidiaries, or other interested parties who participate in Board meetings and their affiliated entities or the entities they represent. As per the aforementioned provisions, a director will be considered to have a personal interest in an agenda item during a Board meeting if their spouse, relatives up to the second degree of kinship, or any company with a controlling or subordinate relationship with the director has an interest in the agenda. Adequate channels will be made available for directors, supervisors, managers, and other interested parties attending or participating in Board meetings to proactively disclose any</p>	No significant divergence

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(4) Has the Company established effective accounting systems and internal control systems to implement ethical 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?	V		<p>potential conflicts of interest with SinoPac Holdings.</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 internal control system and established three lines of defense to ensure that its design and implementation continue to be valid.</p> <p>In addition, the audit unit has formulated relevant audit plans based on the results of the risk assessment of unethical behaviors, and conducts regular reviews of dishonesty related improvement measures for the competent authorities' penalties, significant accidental events, external and internal inspection opinions, and based on which the unethical behavior prevention plan compliance review will be carried out.</p>	No significant divergence
(5) Does the Company regularly hold internal/external training on ethical corporate management	V		<p>(5) a. Every year, SinoPac Holdings and its subsidiaries ensure that all employees, including senior management, new employees, and temporary workers, receive comprehensive education on the "Guidelines for Ethical Corporate Management" and the "Procedures for Ethical Management and Guidelines for Conduct." They are requested to thoroughly read and familiarize themselves with these regulations to prevent any unethical behavior while carrying out their duties</p> <p>b. To enhance and reinforce training on ethical corporate management, SinoPac</p>	

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			<p>Holdings and its subsidiaries have organized dedicated personnel or supervisors to regularly or periodically provide explanations on professional ethics, the principle of good faith, the whistle-blowing system, and relevant internal and external regulations to both new and existing employees. The advocacy and training activities conducted in 2023 are outlined below:</p> <ul style="list-style-type: none"> ● In February 2023, the Directors and Supervisors of SinoPac Holdings and its subsidiaries were provided with the "Guidelines for Ethical Corporate anagement" and the "Procedures for Ethical Management and Guidelines for Conduct" for their reference and adherence. ● In May 2023, the annual external (Taiwan Academy of Banking and Finance) online on-the-job training for the legal compliance personnel of SinoPac Holdings and its subsidiaries were conducted. The training course included latest amendments to financial regulations, practical considerations, new measures for managing electronic and mobile payments, personal data protection laws and case studies, fraud cases in financial institution and common deficiencies identified by the Financial Supervisory Commission, investment and wealth management product and consumer dispute cases, as well as the Financial Consumer Protection Act 	No significant divergence

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			<p>and principles of fair treatment of customers. The requirement for course completion is reading all training materials, accumulating at least 15 hours of reading, completing courses and passing the exam.</p> <ul style="list-style-type: none"> ● 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 2023, all new and current employees (including temp workers) of SinoPac Holdings and its subsidiaries (Bank SinoPac, Bank SinoPac (China), SinoPac (HK) Insurance Brokers, SinoPac Leasing, SinoPac International Leasing, SinoPac Capital International (HK), SinoPac Venture Capital, SinoPac Securities, SinoPac Futures, SinoPac Inv. Service, SinoPac Securities Venture Capital, SinoPac Securities (Asia), SinoPac Asset Management (Asia), SinoPac Solutions and 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 12,312 employees participated in 2023, with a participation rate of 100%. <p>c. SinoPac Holdings has implemented the</p> 	No significant divergence

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			"Supplier Corporate Social Responsibility Code of Conduct," which mandates that suppliers foster a corporate culture of ethical management and adhere to SinoPac Holdings' "Guidelines for Ethical Corporate Management". As of now, 100% of suppliers have signed the commitment, and in 2023, five internal and external education and training sessions were conducted.	No significant divergence
<p>3. Operation of 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 established standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after investigations, and</p>	<p>V</p> <p>V</p>		<p>(1) SinoPac Holdings has established the whistle-blowing and incentive system in the "Whistleblowing Policy." SinoPac Holdings has disclosed the whistle-blowing system and channels on the official website, and appointed the Legal & Compliance Division to accept reported misconduct. If another unit or personnel within the Company receives whistleblowing information, the case shall be transferred to Legal & Compliance Division for handling. The Audit Division is the investigation unit responsible for reporting cases and may, depending on the nature of the case, request other units or personnel to participate in the investigation.</p> <p>(2) SinoPac Holdings has specified the procedures for establishing, accepting, and investigating reported misconduct, follow-up measures after the investigation of reported misconduct, and standard operating procedures for protecting whistle-blowers in the</p>	No significant divergence

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<p>related confidentiality mechanisms?</p> <p>(3) Has the Company taken measures to protect whistle blowers from inappropriate disciplinary actions due to their whistle-blowing</p>	V		<p>"Whistleblowing Policy."</p> <p>(3) SinoPac Holdings has specified the whistle-blower 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. Improving Information Disclosure</p> <p>Has the Company disclosed the "Guidelines for Ethical Corporate Management" and its status of operations on its official website and the 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. Deviations between the "Guidelines for Ethical Corporate Management" and the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies": No significant deviation.</p>				
<p>6. Other important information to help understand the operation status of ethical corporate management: (e.g. Amendment to the "Guidelines for Ethical Corporate Management") Please refer to the Company's official website at https://www.sinopac.com.</p>				