

6.3 Human Rights

6.3.1 Human Rights Commitment and Management

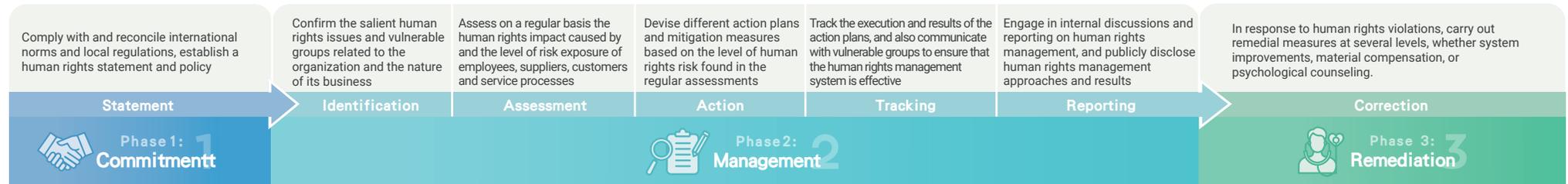
To protect the fundamental human rights of its employees, Fubon Financial Holdings has fostered an environment protective of human rights based on the “protect, respect and remedy” framework outlined the United Nations Guiding Principles on Business and Human Rights. The Company also supports and complies 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 is dedicated to eliminating any behavior that infringes on or violates the human rights of others so that everyone is treated fairly and with dignity.



Spirit of Fubon’s Human Rights Statement

Fubon Financial Holdings supports and puts into practice a human rights policy that stresses diversity and inclusion and treating employees with a respectful attitude. Any individual with the requisite ability and qualifications for a position shall not be treated unfairly or discriminated against based on nationality, race or ethnicity, social class, language, ideology, religion, political affiliation, ancestral home, birthplace, gender, sexual orientation, age, marital status, appearance, facial features, disabilities or any other factors.

Fubon Human Rights Due Diligence Process



Fubon's Role	Salient Issues	Vulnerable Groups	Management Approach	Risk Level	Percentage at Risk
Employer	Forced labor	All employees	Manage excessive work hours	Medium	3.7%
	Discrimination, unlawful harassment in the workplace	All employees	Employee grievances and reaction; survey on unlawful harassment in the workplace	Medium	0.03%
	Workplace health	Employees who rotate shifts, work nights, or work long hours, and those who have musculoskeletal symptoms or pain	Excessive workload identification and risk surveys	Medium	11.7%
	Workplace safety	All employees	Keep statistics of occupational injuries/deaths	Medium	0.37%
	Sexual harassment	All employees	Sexual harassment cases	Low	0%
	Protection of women	Female employees who are pregnant or have given birth in the past year; people in the relatively high Tier 2 and Tier 3 risk levels	Conduct telephone or questionnaire surveys	Low	0%
	Child labor	Interns	Review candidates' resumes or their ID when they report for work	Low	0%
	Freedom of association	All employees	Employees can freely decide to join a union	Low	0%

Issue	Mitigation Measures	Remedial Measures
Forced labor (excessive work hours)	<ul style="list-style-type: none"> Fubon's "Work Rules" limit regular working hours to no more than 8 hours a day and no more than 40 hours a week in principle. Overtime hours of each department reviewed on a monthly basis, and supervisors reminded through the Company's internal website to help employees with longer work hours better allocate their tasks. Employees must give their consent to work overtime, and any overtime request must meet legal requirements. 	<ul style="list-style-type: none"> People who work more than 8 hours a day can apply for overtime or compensatory leave Employees identified as having an excessive workload through a risk survey placed on a list to have their health tracked and given any necessary assistance and care
Discrimination, unlawful harassment in the workplace	<ul style="list-style-type: none"> The Company's internal website has set up a dedicated section for employees to file complaints; employees can voice complaints through a variety of channels, including by telephone hotline, fax or email. A "Plan to Prevent Unlawful Harassment in the Workplace" has been established that requires risk control measures to be planned and implemented on a priority basis for high-risk groups of employees; the measures should also be checked and reviewed on a regular basis. 	In 2020, there were four employee complaints filed but no filings of sexual harassment complaints. They were then handled and resolved in a timely manner. In processing those cases, the Company established the facts amicably, rationally, and lawfully and presented its findings to the affected employees in writing or by telephone, bringing the cases to satisfactory conclusions. All confidentiality guidelines were respected during the process, to protect the system's credibility.
Sexual harassment	<ul style="list-style-type: none"> A digital course on the "Guidelines for Investigating Sexual Harassment Complaints and Disciplining Offenders" is required for all new employees; 100% of new hires completed the course in 2020. For employees who are not new to Fubon, the Company uses meetings, the EIP system or training sessions as appropriate to raise employee awareness of how to prevent sexual discrimination. Fubon employees have many channels through which to file complaints, including by telephone hotline, fax or email. 	
Workplace health	<ul style="list-style-type: none"> All Fubon employees get a free physical check-up once every two years, helping employees get a clear picture of their health The results of excessive workload surveys are regularly reviewed and reported 	<ul style="list-style-type: none"> Hospitals that cooperate on the program with the Company notify employees of abnormalities in their results and provide follow-up checks. Health seminars and health promotion activities organized based on the overall results of employee check-ups If an employee has an excessive workload, supervisors look to understand the person's workload and situation and make appropriate adjustments; nurses are also on hand to provide information on preventing workplace exhaustion.
Workplace safety	<ul style="list-style-type: none"> Basic occupational health education and training sessions organized on a regular basis Annual evacuation drills held Environmental tests conducted by a third party every six months Four major safety plans carried out: Maternal Health Plan, Plan to Prevent Unlawful Harassment in the Workplace, Ergonomic Hazards Prevention Plan, and Plan to Prevent Illnesses Caused by Excessive Workloads 	<ul style="list-style-type: none"> Most personal injury leaves result from traffic accidents; given that trend, Fubon has strengthened publicity on traffic safety do's and don'ts to reduce the number of accidents employees have when out on business or commuting to and from work. Occupational hazard compensation and benefits provided under Fubon's "Work Rules."

Notes1: Excessive work hours defined as applying for more than 40 hours of overtime in a single month
Notes2: Fubon Life sales agents are not included in this table.

To forge a workplace environment free of discrimination and harassment, Fubon Financial Holdings has publicly issued a "Human Rights Statement," and established internal "Employee Complaint and Handling Guidelines," a "Plan to Prevent Unlawful Harassment in the Workplace," and "Guidelines for Investigating Sexual Harassment Complaints and Disciplining Offenders," which define procedures for filing and handling complaints. These provisions offer mitigation and remedial measures that address issues related to human rights risk that could be faced by employees. At the same time, a sexual harassment committee that coordinates the handling of all sexual harassment complaints across the organization has been created at the financial holding company level. Within seven days of a formal complaint being filed, a task force under the committee is set up to investigate the case. The task force, made up of three or more people, consists of sexual harassment committee members and other individuals in positions of authority designated by the committee's chairman. The task force submits a report for the committee to review, and cases are to be brought to a conclusion within two months.

6.3.2 Promoting Labor-Management Communication

Communicating with its unions has always been among Fubon's top priorities. Quarterly labor-management meetings are held to solidify labor relations, and union representatives have seats on Occupational Health and Safety Committees to discuss health and safety issues at committee meetings. Any organizational adjustments or operational changes made that may have a major impact on employees must be announced in a timely way on the Company's intranet system, but Fubon executives may also communicate such changes directly to the entire workforce if necessary. Fubon holds an open attitude toward employees joining a union, and invites a union president to encourage new hires at new employee orientation sessions to join a union. As of the end of 2020, 17,326 employees had joined a Fubon union, or 45.6% of the Company's workforce.

Pushing for Collective Bargaining Agreements

Fubon Financial Holdings in 2015 became the first private financial holding company to sign a collective bargaining agreement and received a commendation from the Ministry of Labor for the move. Since then, Fubon companies have negotiated and signed new agreements with their unions every three years. In 2021, subsidiary Taipei Fubon Bank signed a new collective bargaining agreement with its union that included several conditions and employee benefits exceeding statutory requirements. These agreements represent tangible actions taken to protect employee rights and interests.

Rate of Union Participation by Employees in Recent Years

